



# STAFF REPORT

## SAUSALITO CITY COUNCIL

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**AGENDA TITLE:** Annual lease agreement with Dell Computer Corporation, leveraging pricing structures established by the County of Marin.

**RECOMMENDED MOTION:** Approve Purchase Requisition for Dell Computer Corporation to enter into an agreement that will allow the City of Sausalito to lease 20 Dell workstations for 36 months; leveraging the same discount structure that the County of Marin has negotiated with Dell.

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### SUMMARY

Dell Computer Corporation has provided pricing for a 3 year lease agreement for 20 computers (referred to in this report as hardware) representing 20 scheduled computer replacements for fiscal year 09/10. Under the terms of this agreement, the City of Sausalito will lease the hardware for 3 years, paying sales tax only on the 3 years we will have the hardware and will either return the hardware to Dell Computer Corporation at the end of 3 years or have the option to purchase the hardware at fair market value. It is the City of Sausalito's intention to return the hardware at end of the three year lease. This will relieve our burden of disposing of the hardware at the end of its practical lifecycle but will require that we consistently adhere to our plan to replace 1/3 of desktop computers each year and budget accordingly.

### BACKGROUND

In 2006, the County of Marin met with Dell Computer Corporation and the City Managers with an offer to extend the same pricing that the County of Marin has negotiated with Dell, to the individual cities and agencies within Marin County. This would represent a significant savings for the City of Sausalito and represent a reduction in costs which we cannot possibly expect to negotiate on our own with our significantly smaller budget and buying power.

In Fiscal Year 06/07, the City of Sausalito entered into a 36 month lease agreement for 20 workstations, with the intention of doing the same each year to replace roughly 1/3 of our workstations within each 3 year or 36 month cycle. This staff report and the attached purchase requisition simply represent the most recent effort in that cycle.

Item #: 487  
Meeting Date: 6-9-09  
Page #: 1

The City of Sausalito has been using Dell Computers since November 2001 with great success. Dell has consistently proven to have the lowest prices of any of the top tier computer manufacturers and has reliably provided excellent value and superior customer support.

### ISSUES

This lease agreement does not represent a change of any kind in which vendors or productivity resources we are likely to employ. This agreement simply presents the City of Sausalito with an opportunity to acquire those resources at a significantly lower price.

### FISCAL IMPACT

Below is a table illustrating the difference between the price the City of Sausalito could expect to pay without leveraging the Marin County pricing and what the cost will actually be, working with the Marin County negotiated pricing structure and roughly what we can expect to realize in terms of savings. *This table does not include leasing fees*

| Product/Vendor      | with County of Marin pricing | Without County of Marin pricing | We save:  |
|---------------------|------------------------------|---------------------------------|-----------|
| Dell Optiplex 760   | \$ 1248.44                   | \$1515.26                       |           |
| Dell Latitude E5500 | \$ 1284.17                   | \$1601.06                       |           |
| Price per unit      |                              |                                 |           |
| Price for 20 units: | \$ 25,372.50                 | \$31,163.2                      | \$5790.70 |
| Taxes & fees        | \$ 1901.43                   |                                 |           |
| <b>Totals</b>       | <b>\$ 27,273.93</b>          |                                 |           |

Cost budgeted for 1<sup>st</sup> fiscal year: \$9,091.31  
 Cost to be budgeted for 2<sup>nd</sup> fiscal year: \$9091.31  
 Cost to be budgeted for 3<sup>rd</sup> fiscal year: \$9091.31

### FUNDS ENCUMBRANCE

The following steps have been completed before submitting this request to the Council in order to ensure that the item is budgeted and that the funds have been properly encumbered for this expenditure.

  X       This expenditure is budgeted in Account 100-130-7000-760 for hardware.

Item #:   487    
 Meeting Date:             
 Page #:   2

- X Written quotes or formal bids have been obtained from the following vendors or service providers listed below: The County of Marin has already conducted a competitive bidding process with 3 or more vendors, finally choosing Dell Computer Corporation as the lowest bidder. As our agreement leverages the pricing negotiated by the County of Marin as a result of their bidding process and the volume of business they conduct with Dell Computer Company, this satisfies the City of Sausalito's purchasing policy requirements.
- X Based on the bids or price quotes received, this expenditure has been reviewed by the Finance Director and the City Manager.
- X A Purchase Requisition has been created in the City's Springbrook finance system, and a copy is attached to this report.
- X All bid pricing and other supporting documentation and the committed Purchase Requisition has been submitted to the appropriate Finance staff member for review.
- X The Finance Director's signature has been obtained on the Purchase Requisition as reviewed by Finance staff.
- X An insurance certificate    is required / X is not required for this expenditure. If a certificate is required, it is attached to this report.

### STAFF RECOMMENDATIONS

Approve the lease of 20 new Dell workstations and sign both the PO form from Dell and our own Purchase Requisition.

### ATTACHMENTS

1. Quotes for pricing with and without County of Marin discount for 20 Dell workstations
2. City of Sausalito Purchase Requisition for first 12 months of the 36 month hardware lease with Finance Director authorization
3. Dell Lease document

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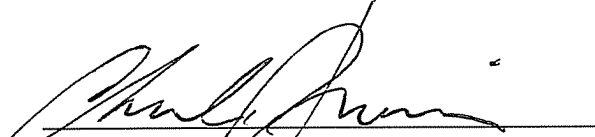
Item #: 437  
Meeting Date:             
Page #: 3

PREPARED BY:

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Rhett Redelings-MacDermott  
Information Technology Manager

REVIEWED BY:



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Charles Francis  
Finance Director


REVIEWED BY:

*(Mary A. Wagner) dp*

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Mary Wagner  
City Attorney

SUBMITTED BY:



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Adam W. Politzer  
City Manager

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Item #: 487  
Meeting Date: \_\_\_\_\_  
Page #: 4

PUBLIC EDUCATION, STATE AND LOCAL GOVERNMENT RIDER

This Rider supplements the provisions of Lease No. 001 - 008570903-004 ("Lease") between you and us as identified below. This Rider is an integral part of the Lease. Capitalized terms used in this Rider that are not defined will have the meanings specified in the Lease. If there is any conflict between the Lease and this Rider, then this Rider will control and prevail.

1. Funding Intent: You reasonably believe that sufficient funds can be obtained to make all Rent payments and other payments during the Lease Term. You agree that your Chief Executive or Administrative Officer (or your administrative officer that has the responsibility of preparing the budget submitted to your governing body, as applicable) will provide appropriate funding for such payments in your annual budget request submitted to your governing body. If your governing body chooses not to appropriate funds for such payments, you agree that your governing body will evidence such nonappropriation by omitting funds for such payments due during the applicable fiscal period from the budget that it adopts. We agree that your obligation to make Rent payments under the Lease will be a current expense and will not be interpreted to be a debt in violation of applicable law or constitutional limitations or requirements. Nothing contained in the Lease will be interpreted as a pledge of your general tax revenues, funds or moneys.

2. Nonappropriations of Funds: If (a) sufficient funds are not budgeted or appropriated and budgeted by your governing body in any fiscal period for Rent payments or other payments and (b) you have exhausted all funds legally available for such payments, due under the Lease, then you will give us written notice and the Lease will terminate as of the last day of your fiscal period for which funds for Rent payments are available. Such termination is without any expense or penalty, except for the portions of the Rent payments and those expenses associated with your return of the Products in accordance with paragraph 10 of the Lease for which funds have been budgeted or appropriated or are otherwise legally available.

3. Essential Use: You represent that the use of the Products are essential to your proper, efficient and economic operation and that you shall be the only entity to lease, operate and use the Products.

4. Choice of Law: Regardless of any conflicting provision in the Lease, THE LEASE WILL BE GOVERNED BY THE LAWS OF THE STATE IN WHICH YOU ARE LOCATED.

5. Authority and Authorization: You represent and agree that: (a) you are a state or a political subdivision or agency of a state; (b) the entering into and performance of the Lease is authorized under your state laws and Constitution and does not violate or contradict any judgment, law, order or regulation, or cause any default under any agreement to which you are a party; (c) you have complied with all public bidding requirements and, where necessary, have properly presented the Lease for approval and adoption as a valid obligation on your part; and (d) you have sufficient appropriated funds or other moneys available to pay all amounts due under the Lease for your current fiscal period. Upon our request, you agree to provide us with an opinion of counsel as to clauses (a) through (d) above, an incumbency or municipal certificate, and other documents that we request in a form satisfactory to us.

Lessee: City of Sausalito  
By: \_\_\_\_\_  
Name and Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Lessor: Dell Financial Services LLC.  
By: \_\_\_\_\_  
Name and Title: \_\_\_\_\_  
Date: \_\_\_\_\_

CERTIFICATION

I \_\_\_\_\_, a resident of \_\_\_\_\_, in the State of \_\_\_\_\_, DO HEREBY  
(Certifier) (City) (State)  
CERTIFY that I am the \_\_\_\_\_, of the Lessee identified above, which is a educational, state or political  
(Title)  
subdivision or agency, duly organized and under the laws of the State of \_\_\_\_\_, that I have custody of the  
(State)  
records of the Lessee, and, as of the date set forth below, \_\_\_\_\_, is the \_\_\_\_\_  
(Name of Above Signature) (Title of Above Signature)  
of Lessee and is duly authorized to execute and deliver in the name of and on behalf of Lessee, the Lease (including this Rider) and all related documents.

IN WITNESS WHEREOF, I have hereto set my hand and affixed this seal of Lessee this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.  
(Day) (Month)

-seal- Certifier's Signature: \_\_\_\_\_

487  
5

LEASE NO: 001 - 008570903 - 004



RHETT REDELINGS  
CITY OF SAUSALITO  
420 LITHO ST  
SAUSALITO, CA 94965

MAY 29, 2009 01:36:38 PM

Dear CITY OF SAUSALITO:

Thank you for choosing Dell Financial Services for your equipment leasing needs. We are enclosing the Lease and the Attachment A for your review. Once you have inspected the documents, please follow the five simple steps listed below:

- Step ① Sign and Date the **YOU/LESSEE** section only on **Page 2 of 4** and print your **NAME and TITLE**.
- ~~Step ② If your name is **PRE-PRINTED**, please verify the Social Security #, Sign and Date the **Personal Guaranty** section on **Page 2 of 4** and provide your **HOME ADDRESS**.~~
- Step ③ Provide your Federal Employer Identification (**FEI**) Number on **Page 2 of 4**.
- Step ④ After completing steps 1 through 3, **FAX ALL PAGES (Including Attachment A)** to 512-283-9380 and keep the original for your records.
- Step ⑤ **(Optional)** For the ease and convenience of **AUTOPAY**, please complete the enclosed form and fax it back with your Lease.

**\*\*NOTE: The Supplier cannot begin to build and/or ship the Products until ALL of these steps have been completed.**

Signing and returning this Lease Agreement constitutes an offer by you to lease the equipment described in Attachment A. The Lease Agreement is subject to acceptance by Dell Financial Services. Dell Financial Services may accept this Lease Agreement by authorizing the Supplier to release the applicable orders into production or by authenticating the Lease Agreement.

Thanks again for choosing Dell Financial Services. If you have any questions regarding the enclosed documentation, please feel free to call me.

**Jason Tran**  
800-955-3355 ext 723-7225

\*\*\*\*\***Helpful Information**\*\*\*\*\*

- Lease Related:** Your DFS Lease Number is: **001 - 008570903-004**
- Equipment Related:** Your DELL Customer Number is: **15521721**
- Equipment Related:** For equipment support or questions call Dell Inc. at **(888) 560-8324**

View [www.Dell.com/Support](http://www.Dell.com/Support) for your order status once your Lease paperwork is complete or call (800) 879-3355

The first invoice you receive once your Lease commences will include your **Monthly Rent Payment, any applicable taxes and/or fees** and the shipping charge to get the products to you if your Lease indicates that **SHIPPING** charges **ARE NOT** included in your Monthly Rent Payment in the Financing Terms section on page one of the Lease. **Subsequent invoices will only include your Monthly Rent Payments and any applicable taxes and/or fees.**

LEASE NO: 001 - 008570903-004



Financial Services

Your Dell Customer Number is: 15521721



Company No: 83

THIS LEASE AGREEMENT ("LEASE") SETS FORTH YOUR RESPONSIBILITIES AND OBLIGATIONS WITH REGARD TO YOUR LEASE OF THE PRODUCTS. IF THIS LEASE HAS BEEN PROVIDED TO YOU ELECTRONICALLY AND YOU WISH TO ENTER INTO THIS LEASE ELECTRONICALLY, YOUR SIGNATURE ON THE ACCOMPANYING "ELECTRONIC SIGNATURE E-MAIL" WILL CONSTITUTE YOUR AGREEMENT TO DO BUSINESS AND RECEIVE ALL RELATED RECORDS ELECTRONICALLY. SAVE AND DOWNLOAD OR PRINT A COPY OF THE LEASE AND ACCOMPANYING E-MAILS AND RETAIN THEM FOR YOUR RECORDS.

THIS LEASE HAS BEEN WRITTEN IN "PLAIN ENGLISH". WHEN WE USE YOU AND YOUR IN THIS LEASE WE MEAN YOU, THE CUSTOMER WHO IS THE LESSEE INDICATED BELOW. WHEN WE USE WE, US AND OUR WE MEAN THE LESSOR, DELL FINANCIAL SERVICES L.L.C.

|  |   |   |   |  |                   |
|--|---|---|---|--|-------------------|
| FULL LEGAL NAME OF LESSEE<br><b>CITY OF SAUSALITO</b>  |   | LEASE TERM (MONTHS)<br><b>36</b>  | MONTHLY RENT PAYMENT^<br><b>\$730.66</b><br><small>^Subject to Applicable Tax</small> | MONTHLY PERSONAL PROPERTY MGMT FEE^<br><b>\$19.66</b><br><small>^Subject to Applicable Tax</small> | COMMENCEMENT DATE |
| DBA NAME (IF ANY)  | TYPE OF BUSINESS<br><b>Municipality</b>                         | FINANCING TERMS<br>Product Cost = \$25,646.10<br>(MONTHLY RENT PAYMENTS ARE DUE AND PAYABLE IN ADVANCE)<br>**Charges to ship to you ARE NOT included in the Monthly Rental Payment, and WILL appear as a one time charge on your first invoice. |   |  |                   |
| BILLING ADDRESS: STREET, CITY, STATE, ZIP CODE<br><b>420 LITHO ST<br/>SAUSALITO CA 94965</b> |   |   |   |  |                   |
| PRODUCT LOCATION<br><b>SEE ATTACHMENT A</b>  | GENERAL PRODUCT DESCRIPTION/SUPPLIER<br><b>SEE ATTACHMENT A</b> |   |   |  |                   |
| GUARANTOR (IF ANY)   | SOCIAL SECURITY NUMBER  | END OF LEASE PURCHASE OPTION<br><b>Fair Market Value</b>  |   |  |                   |

TERMS AND CONDITIONS OF LEASE

**1. NO WARRANTIES:** WE ARE LEASING THE PRODUCTS TO YOU "AS-IS". YOU ACKNOWLEDGE THAT WE DO NOT MANUFACTURE OR SUPPLY THE PRODUCTS, WE DO NOT REPRESENT THE MANUFACTURER OR SUPPLIER AND YOU HAVE SELECTED THE PRODUCTS AND THE SUPPLIER BASED ON YOUR OWN JUDGMENT. WE MAKE NO WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING THE MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE PRODUCT OR ANY SERVICES. PROVIDED NO EVENT OF DEFAULT HAS OCCURRED AND IS CONTINUING, WE HEREBY ASSIGN TO YOU FOR THE TERM OF THE LEASE ALL WARRANTIES MADE TO US BY SUPPLIER, MANUFACTURER, AND ANY SERVICE PROVIDER TO YOU, AND YOU AGREE THAT YOU WILL MAKE ALL CLAIMS OF ANY KIND RELATING TO THE PRODUCTS OR SERVICES AGAINST SUCH SUPPLIER, MANUFACTURER, AND/OR SERVICE PROVIDER.

**2. ACCEPTANCE; ENTIRE AGREEMENT; DELIVERY; ELECTRONIC SIGNATURES AND RECORDS:** BY SIGNING THIS LEASE: (a) YOU ACKNOWLEDGE THAT YOU HAVE RECEIVED, READ, UNDERSTAND AND AGREE TO ALL OF THE TERMS AND CONDITIONS (SECTIONS NUMBERED 1-18, PAGES 1-4) AND ATTACHMENT A OF THIS LEASE; (b) YOU AGREE THAT THIS LEASE IS A NET LEASE AND YOU CANNOT TERMINATE OR CANCEL AND UPON ACCEPTANCE OF THE PRODUCTS YOU HAVE AN UNCONDITIONAL OBLIGATION TO MAKE ALL PAYMENTS UNDER THIS LEASE AND YOU CANNOT WITHHOLD, SETOFF OR REDUCE SUCH PAYMENTS FOR ANY REASON; (c) YOU AGREE THAT THE PRODUCTS WILL BE USED FOR BUSINESS PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES; (d) YOU CONFIRM THAT THE PERSON SIGNING THIS LEASE FOR YOU HAS THE AUTHORITY TO DO SO AND TO GRANT THE POWER OF ATTORNEY IN SECTION 6; (e) YOU AGREE THAT THIS LEASE WILL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO ITS CONFLICTS OF LAWS PRINCIPLES AND TO THE EXTENT APPLICABLE, THE ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT AND YOU CONSENT TO THE JURISDICTION OF ANY COURT LOCATED WITHIN THAT STATE AND YOU EXPRESSLY WAIVE THE RIGHT TO A TRIAL BY JURY; (f) YOU ACKNOWLEDGE AND AGREE THAT THIS LEASE IS SUBJECT TO THE ARBITRATION PROVISIONS SET FORTH IN SECTION 16 AND YOU UNDERSTAND AND AGREE THAT IN ARBITRATION: YOU GIVE UP RIGHTS TO SEEK REMEDIES IN COURT, INCLUDING THE RIGHT TO A JURY TRIAL; YOUR ABILITY TO COMPEL OTHER PARTIES TO PRODUCE DOCUMENTS OR BE EXAMINED IS MORE LIMITED THAN IN A LAWSUIT; AND, YOUR RIGHTS TO APPEAL OR CHANGE ANY ARBITRATION AWARD IN ANY COURT ARE STRICTLY LIMITED; AND (g) YOU CONFIRM THAT THE INFORMATION IN ANY CREDIT APPLICATION, STATEMENT, TRADE REFERENCE OR FINANCIAL REPORT SUBMITTED TO US IS TRUE AND CORRECT AND YOU UNDERSTAND THAT ANY MATERIAL MISREPRESENTATION SHALL CONSTITUTE A DEFAULT UNDER THE LEASE. YOU AGREE TO BE BOUND BY THIS LEASE BY SIGNING IT. IF THIS LEASE HAS BEEN PROVIDED TO YOU ELECTRONICALLY ALONG WITH AN ACCOMPANYING ELECTRONIC SIGNATURE E-MAIL AND YOU WISH TO ENTER INTO THIS LEASE ELECTRONICALLY, YOU MAY SIGN THIS LEASE BY COMPLETING THE ELECTRONIC ACCEPTANCE PROCEDURE IN THE ACCOMPANYING ELECTRONIC SIGNATURE E-MAIL, INCORPORATED HEREIN, AND FORWARDING THE COMPLETED ELECTRONIC SIGNATURE E-MAIL AND THIS LEASE TO US BY E-MAIL. OTHERWISE, YOU MUST SIGN THIS LEASE BY COMPLETING THE SIGNATURE BOX ON A PRINTED COPY OF THE LEASE AND RETURN IT TO US EITHER BY FACSIMILE TRANSMISSION OR BY U.S. MAIL. IF YOU DELIVER THIS SIGNED LEASE TO US BY FACSIMILE TRANSMISSION, AND WE DO NOT RECEIVE ALL OF THE PAGES TO THE LEASE, YOU AGREE THAT, EXCEPT FOR ANY PAGES WHICH REQUIRE YOUR SIGNATURE, WE MAY SUPPLY THE MISSING PAGES TO THE LEASE FROM OUR DATABASE WHICH CONFORMS TO THE VERSION NUMBER AT THE BOTTOM OF THE PAGE. IF YOU DELIVER THIS SIGNED LEASE TO US BY E-MAIL, FACSIMILE TRANSMISSION OR BY U.S. MAIL, YOU ACKNOWLEDGE THAT WE ARE



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7

**LEASE NO: 001 - 008570903 - 004**

RELYING ON YOUR REPRESENTATION THAT THIS LEASE HAS NOT BEEN ALTERED. YOU FURTHER AGREE THAT, NOTWITHSTANDING ANY RULE OF EVIDENCE TO THE CONTRARY, IN ANY HEARING, TRIAL OR PROCEEDING OF ANY KIND WITH RESPECT TO THIS LEASE, WE MAY PRODUCE A TANGIBLE COPY OF THE LEASE TRANSMITTED BY YOU TO US BY FACSIMILE OR E-MAIL WITH THE ELECTRONIC SIGNATURE PROCEDURE AND SUCH SIGNED COPY SHALL BE DEEMED TO BE THE ORIGINAL OF THIS LEASE. TO THE EXTENT (IF ANY) THAT THIS LEASE CONSTITUTES CHATTEL PAPER UNDER THE UNIFORM COMMERCIAL CODE, THE AUTHORITATIVE COPY OF THE LEASE SHALL BE THE COPY DESIGNATED BY US OR OUR ASSIGNEE, FROM TIME TO TIME, AS THE COPY AVAILABLE FOR ACCESS AND REVIEW BY YOU AND US OR OUR ASSIGNEE. ALL OTHER COPIES ARE DEEMED IDENTIFIED AS COPIES OF THE AUTHORITATIVE COPY. IN THE EVENT OF INADVERTENT DESTRUCTION OF THE AUTHORITATIVE COPY, OR CORRUPTION OF THE AUTHORITATIVE COPY FOR ANY REASON OR AS THE RESULT OF ANY CAUSE, THE AUTHORITATIVE COPY MAY BE RESTORED FROM A BACKUP OR ARCHIVE COPY, AND THE RESTORED COPY SHALL BECOME THE AUTHORITATIVE COPY. AT OUR OPTION, THIS ELECTRONIC RECORD MAY BE CONVERTED INTO PAPER FORM. AT SUCH TIME, SUCH PAPER COPY WILL BE DESIGNATED OR MARKED AS THE AUTHORITATIVE COPY OF THE LEASE.

|   |      |  |      |
|---|------|--|------|
| YOU/LESSEE:<br><b>CITY OF SAUSALITO</b> |      | US/LESSOR: (For DFS use only)<br>Dell Financial Services L.L.C. Phone (800) 955-3355<br>99355 Collections Center Drive Fax (800) 934-4207 or<br>Chicago, IL 60693 Fax (512) 246-2028 |      |
| AUTHORIZED SIGNATURE:                   |      | AUTHORIZED SIGNATURE: (For DFS use only)   |      |
| PRINT NAME AND TITLE:                   | DATE | PRINT NAME AND TITLE: (For DFS use only)   | DATE |

Step ①. Please sign and date the YOU/LESSEE section and print your name and Title.

**PERSONAL AND CONTINUING GUARANTY OF LEASE NO. 001 - 008570903 - 004**

This personal and continuing guaranty ("Guaranty") creates specific legal obligations. When we use the words you and your in this Guaranty we mean the personal guarantors indicated below. When we use the words we, us and our in the Guaranty we mean the Lessor indicated in the Lease. In consideration of our entering into the Lease, you unconditionally and irrevocably guarantee to us, our successors and assigns, the prompt payment and performance of all obligations of Lessee under the Lease regardless of any circumstance which might otherwise be a defense available to, or a discharge of, Lessee or you. You agree that this is a guaranty of payment and not of collection, and that we can proceed directly against you without first proceeding against Lessee or the Products. You waive all defenses and notices, including those of protest, presentment and demand, notice of acceptance hereof and all other notices of any kind. You agree that we can renew, extend or otherwise modify the terms of the Lease without releasing you. You will pay all our expenses including attorneys' fees incurred by us in enforcing our rights against you. This is a continuing guaranty that will not be discharged or affected by your death and will bind your heirs, administrators and personal representatives. We may, without affecting your liability hereunder, compromise or release any rights against Lessee or the Products or you. You consent to the transfer, sale or any other disposition of the Products and the Lease. If more than one person has signed this Guaranty, each of you agrees that its liability is joint and several. This Guaranty may be enforced by any assignee or successor of ours to the same extent as we may enforce it. You authorize us or any of our affiliates to obtain credit bureau reports regarding your personal credit and make other credit inquiries that we determine are necessary. THIS GUARANTY SHALL BE GOVERNED BY THE INTERNAL LAWS OF ILLINOIS, WITHOUT REGARD TO ITS CONFLICTS OF LAWS PRINCIPLES AND TO THE EXTENT APPLICABLE, THE ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. YOU EXPRESSLY AGREE TO ARBITRATION AS PROVIDED IN PARAGRAPH 16.

|                              |   |  |
|------------------------------|---|--|
| Date: _____<br>(Date Signed) | _____<br>INDIVIDUAL GUARANTOR NAME (PRINTED)          | _____<br>GUARANTOR SOCIAL SECURITY NUMBER                          |
|                              | By _____<br>SIGNATURE INDIVIDUAL GUARANTOR (NO TITLE) | _____<br>GUARANTOR HOME ADDRESS (STREET, CITY, STATE AND ZIP CODE) |

Step ②. If your name is pre-printed, please SIGN and date the Personal Guaranty section and provide your home address.

946000429

**FEDERAL EMPLOYER IDENTIFICATION #** (or SOCIAL SECURITY NUMBER for SOLE PROPRIETORS)

Step ③. If your FEI number is **not pre-printed**, you **MUST** provide it in the box above.

IF WE SEND THIS LEASE TO YOU BY AN E-MAIL AND YOU ARE COMPLETING THE ELECTRONIC ACCEPTANCE PROCEDURE OUTLINED IN THE E-MAIL, PLEASE DO NOT COMPLETE STEPS 1-3 ABOVE.

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8



## LEASE NO: 001 - 008570903 - 004

**3. Lease; Acceptance and Commencement; Term; Rent:** We agree to lease to you and you agree to lease from us the products, services, and software (the "Products") described in Attachment A to this Lease on the terms and conditions shown in this Lease. With respect to services, we will only finance one-time charges for services rendered in connection with the Products. Services may include delivery and installation fees, or similar services ("Services"). The Products will be deemed irrevocably accepted for purposes of this Lease five (5) days after shipment from the Supplier (the "Acceptance Date"). This Lease will begin on the Commencement Date specified on the first page of this Lease, or if no date is specified, you give us the right to insert the Commencement Date as the 1<sup>st</sup>, 5<sup>th</sup>, 9<sup>th</sup>, 13<sup>th</sup>, 17<sup>th</sup> or 21<sup>st</sup> of the month following the Acceptance Date (the "Commencement Date"). When you receive the Products, you agree to inspect them promptly and advise us if they are not in good working order. If any of the Products are accepted for return by Dell Inc. ("Dell") under Dell's Return Policy, found at [www.dell.com](http://www.dell.com) (the "Policy"), in the time, condition and manner required by Dell under the Policy, we will apply any payment we receive from Dell as a credit against the amounts owed under this Lease, however, you agree that you shall continue to owe all unpaid amounts. You are responsible for freight charges to deliver and return the Products under the Policy. Contact Dell for complete details regarding the Policy. If payments are due in arrears, the first Rent payment is due thirty (30) days after the Commencement Date. If payments are due in advance, the first Rent payment is due on the Commencement Date. Added to the first payment of Rent shall be a prorated portion of Rent calculated based on a 30-day month or 90-day quarter (as appropriate) for the period from the Acceptance Date to the Commencement Date. Subsequent payments of Rent are due on the same day of each subsequent month (or the following day of the subsequent month if there is no such day). You agree to pay us the Rent for the number of months of the Lease Term stated above. You will make all payments required under this Lease to us at the address we specify in writing. You authorize us to adjust the Rent amount (increase or decrease) listed above based on changes in the actual Product Cost (which is all amounts we have paid or will pay in connection with the purchase, delivery, and installation of the Products, including any trade-up and buyout amounts) provided that any increase in Rent amount will not result in more than a 15% increase to the Rent payment listed above. You agree to allow us to adjust the Rent amount above if the actual Product Cost varies from the Product cost shown above. If any payment of Rent or other amount payable to us is not paid within ten (10) days after the due date, you will pay us a late charge equal to the greater of (i) 1.50% of the late payment amount or (ii) \$5.00 for each late payment (or if less, the highest amount permitted by applicable law).

**4. Selection and Ordering of Products:** You select the type and quantity of the Products subject to this Lease. If you have entered into a purchase or supply contract ("Supply Contract") with any Supplier, you assign your rights but not your obligations (other than the obligation to pay for the Products if accepted by you under this Lease) effective prior to the passage of title by the Supplier to you.

**5. Location; Use; Alterations; Inspection:** You will use the Products solely at the location specified in the Lease, or if none is specified, at your billing address. Except for temporary relocation of notebook personal computers, you may not move the Products without our prior written consent, which shall not be unreasonably withheld. At your own expense, you will maintain the Products in good repair, condition and functional order (except for ordinary wear and tear) and will use them in compliance with all applicable laws. You will use all software in accordance with the end user license terms of the applicable software license agreement ("License"). You may make additions or improvements to the Products unless the addition or improvement would violate any License, decrease the value of Products, or impair their utility. You may remove any such addition or improvement at the end of the Lease if (i) you repair any damage to Products resulting from the removal; (ii) you restore the Products to their original and functional condition (excluding ordinary wear and tear); and, (iii) the removal does not violate any License or render the Products incapable of use or operation. All additions or improvements not removed will become our property at no cost to us. You agree that, we, our assignees, and agents, may inspect the Products at the premises where the Products are located at any reasonable time with prior notice.

**6. Title; Quiet Enjoyment; Personal Property; Filing:** Except for software that is subject to a separate License, we are the owner of and will hold title to the Products. You will keep the Products free from any and all liens, encumbrances and claims. So long as you are not in Default under the Lease, we will not interfere with your quiet use and enjoyment of the Products during the Lease Term or any renewal term. Unless the Purchase Option is \$1, you agree that this transaction is intended to be a true lease under UCC Article 2A. However, if this transaction is deemed to be a lease intended for security under UCC Article 9, you grant us a purchase money security interest in all of your rights and interest in and to the Products (including your right to use any software to the extent not prohibited by your License) and any replacements, substitutions, additions, attachments, and all proceeds thereof. You authorize us to file any financing statements or related filings as we may reasonably deem necessary or appropriate. You agree to pay a one-time Transaction Processing Fee to cover our costs for such filing and other documentation costs.

**7. Loss or Damage:** From the time the Products are delivered to a carrier for shipment to you until their return to us, you are responsible for any loss, theft, damage to or destruction of the Products ("Loss") from any cause at all, whether or not the Loss is covered by insurance. You are required to make all payments under the Lease even if there is a Loss. You must notify us immediately if there is any Loss. Then at our option, you will either (a) repair the Products so they are in good condition and working order to our satisfaction; or (b) replace the Products with like products in good condition and repair and of the same manufacture and equal or greater capacity and capability, with clear title thereto in us; or (c) pay us the "Stipulated Loss Value" which is the sum of: (i) all Rent payments for all the Products and other amounts past due (plus interest thereon) or currently owed to us under the Lease, including unpaid taxes; (ii) all future Rent payments that would accrue over the remaining Lease Term plus our estimated value of our residual interest of all of the Products at the end of the Lease Term, such sum to be discounted to present value at a discount rate equal to the Two-Year U.S. Treasury Constant Yield Maturity Rate in effect on the date you provide notice of the Loss ("Discount Rate") and (iii) any costs and expenses incurred as a result of this event. When you pay the amount of (c) above to us, we will transfer to you our interest in the Products, "AS-IS-WHERE-IS", without any warranty, express or implied, including warranty of merchantability or fitness for any particular purpose.

**8. Insurance:** For the Lease Term set forth above, you will provide and maintain, at your expense, (a) property insurance against the loss or theft of or damage to the Products, for their full replacement value naming us as loss payee and (b) public liability and third party property damage insurance naming us as an additional insured. All insurance shall be in a form and amount and with companies satisfactory to us and will provide that we will be given thirty (30) days written notice before cancellation or material change of the policy. At our request, you will deliver the policies or certificates of insurance to us. If you do not give us evidence of insurance acceptable to us we have the right, but not the obligation, to obtain such insurance covering our interest in the Products for the Lease Term. The cost for such insurance will be an additional amount due from you under the Lease.

**9. Taxes:** You will pay when due, either directly or to us on demand, all taxes (local, state and federal), fines or penalties which may now or hereafter be imposed or levied upon the Lease and the Products, excluding taxes on our net income. We do not have to contest any taxes, fines or penalties. We may, at our option, charge you a liquidated monthly personal property management fee, to be added to Rent payments owed under this Lease.

**10. Return:** Unless the Lease is renewed or you purchase the Products in accordance with the terms of the Lease, you will immediately deliver the Products (including but not limited to cables, power cords, keys, etc.) in good repair, operable condition and able to qualify for the manufacturer's warranty service (ordinary wear and tear excepted) to any place in the continental United States that we direct. Upon your return of the Products, you agree that your license with respect to the operating system software terminates and you certify that you will either (i) return all copies of the manuals, printed material, certificates of authenticity and media (the "Operating System Software Kit") or (ii) destroy all copies of the Operating System Software Kit, leaving the original operating system installed and functional. You will pay all expenses for deinstalling, packing and shipping and you will insure the Products for the full replacement value during shipping. You will immediately pay us on demand the costs and expenses of all missing or damaged Products.

**11. Purchase Option; Automatic Renewal:** If no Default exists under the Lease, you will have the option at the end of the Lease Term to purchase all (but not less than all) of the Products for the amount of the Purchase Option price shown above which, if it is the then Fair Market Value of the Products ("FMV"), will be as determined by us, plus any applicable taxes. Unless the Purchase Option price is \$1, you must give us written notice at least ninety (90) days before the end of the Lease Term that you will purchase the Products or that you will return the Products to us. Unless you timely provide such

## LEASE NO: 001 - 008570903 - 004

written notice of intent and purchase the Products or return the Products to us on the last day of the Lease Term, this Lease will automatically renew on a continuing month-to-month basis until you give us thirty (30) days notice and deliver the Products to us. During such renewal terms, the Rent payment will remain the same. If the Fair Market Value Purchase Option has been selected we will use our reasonable judgment to determine the Products' in place value. If you do not agree with our determination, the fair market retail value will be determined for you at your expense by an independent appraiser selected by us and reasonably approved by you. Upon payment in full of the Purchase Option price and any amounts which may be due hereunder, we will transfer our interest in the Products to you "AS-IS-WHERE-IS", without any warranty whatsoever, and the Lease will terminate.

**12. Assignment:** YOU MAY NOT ASSIGN, SELL, TRANSFER, OR SUBLEASE THE PRODUCTS OR YOUR INTEREST IN THIS LEASE. We may, without notifying you, sell, assign or transfer the Lease and our rights in the Products. You agree that the transferee will have the same rights and benefits that we have now under this Lease, but not our obligations. The rights of the transferee will not be subject to any claim, defense, or setoff that you may have against us.

**13. Default:** Each of the following is a default ("Default") under the Lease: (a) you fail to pay any Rent or any other payment within 10 days of its due date; (b) you do not perform any of your obligations under the Lease or in any other agreement with us or with any of our affiliates and this failure continues for 10 days after we have notified you of it; (c) you become insolvent, you dissolve or are dissolved, you assign your assets for the benefit of your creditors or enter voluntarily or involuntarily any bankruptcy or other reorganization proceeding; (d) you or any Guarantor provide us incorrect or untrue information regarding any material matter in connection with your application for credit or entering into this Lease; or (e) if this Lease has been guaranteed by someone other than you, any guarantor of the Lease dies, does not perform its obligations under the Guaranty or becomes subject to one of the events listed in clause (c).

**14. Remedies:** If a Default occurs, we may do one or more of the following: (a) we may cancel or terminate the Lease or any agreements that we have entered into with you or withdraw any offer of credit; (b) we may require you to pay us, as compensation for loss of our bargain and not as a penalty, a sum equal to (i) the Stipulated Loss Value calculated under Section 7 plus (ii) any costs and expenses (including breakage fees) incurred as a result of the Default; (c) we may require you to deliver the Products to us as set forth in Section 10; (d) we or our agent may peacefully repossess the Products without court order and you will not make any claims against us for trespass, damages or any other reason and (e) we may exercise any other right at law or in equity. Further, with respect to software, if a Default occurs, you agree upon notice from us to (a) immediately cease using the software, (b) deinstall and delete all copies of the software from any computer systems you own or control or that are used for your benefit, and (c) provide us with a certificate signed by your authorized representative attesting to such cessation of use and maintenance, deinstallation, deletion and destruction. You agree to pay all of our costs of enforcing our rights against you, including reasonable attorney's fees. If we take possession of the Products we may sell or otherwise dispose of the Products, with or without notice, at public or private sale and apply the net proceeds (after we have deducted our costs related to the sale and disposition) to the amounts that you owe us. You agree that if notice of a sale is required by law to be given, 10 days notice will constitute reasonable notice. You will remain responsible for any amounts that are due after we have applied such net proceeds.

**15. Indemnity:** You are responsible for losses, damages, penalties, claims, costs (including attorneys' fees and expenses), actions, suits and proceedings of every kind, (collectively "Claims") whether based on a theory of strict liability or otherwise caused by or related to this Lease or the Products, (including any defects in the Products). You will reimburse us for, and if we request defend us against, any Claims.

**16. Arbitration:** Either party to this Lease may choose to have any dispute, claim, or controversy arising from or relating to this Lease, any prior agreement or lease between the parties, any application or advertisement related to this Lease or the validity of this arbitration clause or the entire Lease, resolved by binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association. If such rules conflict with this arbitration agreement, however, then the terms of this arbitration agreement shall control. This arbitration agreement is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act at 9 U.S.C. Section 1, *et seq.* Judgment upon the award rendered may be entered in any court having jurisdiction. Any arbitration award in excess of \$100,000 made pursuant to this arbitration agreement may be appealed by the party against which the award is made. Such appeal will be a de novo arbitration proceeding before three arbitrators. The parties agree and understand that they may choose arbitration instead of litigation to resolve disputes. The parties understand that they have a right or opportunity to litigate disputes in court, but may elect to resolve their disputes through arbitration as provided herein. The parties agree and understand that all disputes arising under case law, statutory law, and all other laws including, but not limited to, all contract, tort, and property disputes, may be subject to binding arbitration in accord with this Lease. No class action or request for relief may be brought under this arbitration agreement. You agree that you shall not have the right to participate in arbitration or in court proceedings as a representative or a member of any class of claimants pertaining to any claim arising from or relating to this Lease. The parties agree and understand that the arbitrator shall have all powers provided by law and this Lease, except for powers limited or prohibited by this Lease. Notwithstanding anything herein to the contrary, we retain an option to use judicial or non-judicial relief to recover the Products or to enforce our security interest in the Products, to enforce the monetary obligation secured by the Products or to foreclose on the Products. Such judicial relief would take the form of a lawsuit. The institution and maintenance of any action for judicial relief in a court to foreclose upon any Products, to obtain a monetary judgment or to enforce this Lease, shall not constitute a waiver of the right of any party to compel arbitration regarding any other dispute or remedy subject to arbitration in this Lease, including the filing of a counterclaim in a suit brought by us pursuant to this provision. **YOU UNDERSTAND AND AGREE THAT IN ARBITRATION: YOU GIVE UP RIGHTS TO SEEK REMEDIES IN COURT, INCLUDING THE RIGHT TO A JURY TRIAL; YOUR ABILITY TO COMPEL OTHER PARTIES TO PRODUCE DOCUMENTS OR BE EXAMINED IS MORE LIMITED THAN IN A LAWSUIT; AND, YOUR RIGHTS TO APPEAL OR CHANGE ANY ARBITRATION AWARD IN ANY COURT ARE STRICTLY LIMITED.**

**17. Finance Lease:** You agree that if Article 2A of the Uniform Commercial Code applies to this Lease, this Lease will be considered a "finance lease" as defined by Article 2A and by signing this Lease you acknowledge that either (1) you have received, reviewed and approved the Supply Contract with the Supplier or (2) we have informed you of the identity of the Supplier, that you may have rights and warranties under the Supply Contract(s) for the Products and you may contact the Supplier of the Products for a description of those rights and warranties. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, YOU HEREBY WAIVE ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY ARTICLE 2A OR ANY OTHER APPLICABLE LAW WITH RESPECT TO A DEFAULT BY LESSOR UNDER THIS LEASE.**

**18. Miscellaneous:** You agree that the terms and conditions of this Lease make up the entire agreement between you and us regarding the lease of the Products. Any change in the terms and conditions of the Lease must be in writing and signed by us. You agree, however, that we are authorized, without notice to you, to supply missing information or correct obvious errors in this Lease. All of our rights and remedies will survive termination of this Lease. All notices under this Lease will be given in writing and will be considered given when deposited in the U.S. mail, postage prepaid, facsimile or electronically transmitted, addressed to the respective address given above or to a substitute address specified in writing by one of us to the other. Any failure of ours to require strict performance by you or any waiver by us of any provision in this Lease will not be construed as a consent or waiver of any other breach of the same or any provision. If any portion of this Lease is deemed invalid, it will not affect the balance of this Lease. It is the express intent of both of us not to violate any usury laws, or to exceed the maximum amount of time price differential, or interest as applicable permitted to be charged, or collected under applicable law and any such excess payment will be applied to payments under the Lease in inverse order of maturity and the remaining payments will be refunded to you.

487  
10

**LEASE NO: 001 - 008570903 - 004**



*Attachment A*

Company No: 83

Attached hereto and made a part hereof Lease No: 001 - 008570903-004 between DELL FINANCIAL SERVICES L.L.C. as Lessor and CITY OF SAUSALITO as Lessee

| <b>Product Location</b>                  | <b>General Product Description/Supplier/Quantity</b>   |                 |
|--|--|-----------------|
| 420 LITHO ST<br>SAUSALITO<br>CA<br>94965 | Dell Order #760558878  |                 |
|  | <b>Description</b>   | <b>Quantity</b> |
|  | Latitude E5500, Intel Core 2 Duo T7250, 2.00GHz, 2M L2 Cache, 800MHz FSB   | 10              |
|  | 2.0GB, DDR2-800 SDRAM, 1 DIMM for Latitude E5X00   | 10              |
|  | Internal English Keyboard Single Pointing, for Latitude Notebooks  | 10              |
|  | Documentation (English) Latitude E-Family/Mobile Precision   | 10              |
|  | Intel Integrated Graphics Media Accelerator 4500MHD, Latitude E5X00  | 10              |
|  | 160GB Free Fall Sensor Hard Drive 9.5MM, 7200RPM, Latitude   | 10              |
|  | Single pointing touchpad for Latitude E5500  | 10              |
|  | 15.4 inch Wide Screen WXGA LCDfor Latitude E5500   | 10              |
|  | Windows XP PRO SP3 with Windows Vista Business LicenseEnglish, Dell Latitude   | 10              |
|  | No Modem for Latitude E-Family   | 10              |
|  | US - 3-FT, 3-Pin Flat E-FamilyPower Cord for Latitude E-Family   | 10              |
|  | 90W 3-Pin, AC Adapter for Latitude E5400/5500  | 10              |
|  | 8X DVD+/-RW for Latitude E5X00   | 10              |
|  | Cyberlink Power DVD 8.1, with Media, Dell Latitude/Mobile Precision  | 10              |
|  | Roxio Creator Dell Edition, 9.0 Dell Latitude/Mobile Precision   | 10              |
|  | Dell WLAN 1397 (802.11b/g) 1/2 MiniCard for Latitude E/Mobile Precision  | 10              |
|  | Quick Reference Guide for Latitude E5X00   | 10              |
|  | Resource DVD with Diagnostics and Drivers for Latitude e5500 Notebook  | 10              |
|  | 6-Cell/54-WHr Battery for Latitude E5X00   | 10              |
|  | Nylon Deluxe Top Load Carrying Case 15.4 inch for Latitude E/Mobile Precision  | 10              |
|  | Intel Core 2 Duo Processor   | 10              |
|  | ProSupport for IT: 7x24 Technical Support for certified IT Staff, 2 Year Extended  | 10              |
|  | ProSupport for IT: 7x24 Technical Support for certified IT Staff, Initial  | 10              |
|  | Thank you choosing Dell ProSupport. For tech support, visit <a href="http://support.dell.com/ProSupport">http://support.dell.com/ProSupport</a> or call 1-866-516-3115 | 10              |
|  | ProSupport for IT: Next Business Day Parts and Labor Onsite Response 2 Year Extended   | 10              |
|  | ProSupport for IT: Next Business Day Parts and Labor Onsite Response Initial Year  | 10              |
|  | Dell Hardware Limited Warranty Plus Onsite Service Initial Year  | 10              |

487  
11

**LEASE NO: 001 - 008570903 - 004**

|  |    |
|--|----|
| Dell Hardware Limited Warranty Plus Onsite Service Extended Year(s)  | 10 |
| Standard On-Site Installation Declined                               | 10 |
| CompleteCare Accidental DamageProtection, 3 Year Info, Complete Care | 10 |
| Vista Premium Downgrade Relationship Notebook                        | 10 |
| E/Port, Simple Port Replicatorfor Latitude E-Family/Mobile Precision | 10 |
| State Environmental Fee for display 15 inches, less than 35 inches   | 10 |

Dell Order #760557680

420 LITHO ST  
SAUSALITO  
CA  
94965

| Description  | Quantity |
|--|----------|
| OptiPlex 760 Desktop Base Standard PSU   | 10       |
| OptiPlex 760,Core 2 Duo E8400/3.0GHz,6M,1333FSB  | 10       |
| 4GB,Non-ECC,800MHz DDR2,4x1GB OptiPlex   | 10       |
| Dell USB Keyboard,No Hot Keys English,Black,Optiplex   | 10       |
| Dell UltraSharp 1907FPV Flat Panel with Height Adjustable Stand,19.0 Inch VIS,Optiplex, Precision and Latitude | 10       |
| 256MB ATI RADEON HD 3450 Graphics dual DVI and VGA and TV Out, LP,OptiPlex                                     | 10       |
| 80GB SATA 3.0Gb/s and 8MB DataBurst Cache,Dell OptiPlex  | 10       |
| 3.5 inch,1.44MB,Floppy Drive Dell OptiPlex Desktop or Minitower  | 10       |
| Cable for 3.5IN,1.44MB Floppy Drive, Dell OptiPlex Desktop   | 10       |
| Windows XP PRO SP3 with Windows Vista Business LicenseEnglish,Dell Optiplex                                    | 10       |
| Dell USB 2 Button Optical Mouse with Scroll,Black OptiPlex   | 10       |
| Intel Standard Manageability Hardware Enabled Systems Management, Dell OptiPlex                                | 10       |
| Roxio Creator Dell Edidion,9.0Dell OptiPlex  | 10       |
| 16X DVD+/-RW SATA,Data Only Dell OptiPlex Desktop or Minitower,Black   | 10       |
| Cyberlink Power DVD 8.2,with Media, Dell Relationship LOB  | 10       |
| Heat Sink, Mainstream, Dell Optiplex Desktop   | 10       |
| Internal Chassis Speaker Option,Dell OptiPlex Desktop  | 10       |
| OptiPlex 760 Desktop Standard Power Supply   | 10       |
| Documentation,English,Dell OptiPlex  | 10       |
| Power Cord,125V,2M,C13,Dell OptiPlex   | 10       |
| Dell Energy Smart Power Management Settings Enabled OptiPlex   | 10       |
| No Resource DVD for Dell Optiplex, Latitude, Precision   | 10       |
| McAfee Security 10,36 Month MUI,Dell OptiPlex, Precision and Latitude  | 10       |
| Quick Reference Guide, Eng Dell OptiPlex 760,Factory Install   | 10       |
| Shipping Material for System Neo Desktop,Dell OptiPlex Desktop   | 10       |
| Vista Premium Downgrade Relationship Desktop   | 10       |
| ProSupport for IT: Next Business Day Parts and Labor Onsite Response Initial Year                              | 10       |
| ProSupport for IT: Next Business Day Parts and Labor Onsite Response 2 Year Extended                           | 10       |
| Dell Hardware Limited Warranty Plus Onsite Service Initial Year  | 10       |
| Dell Hardware Limited Warranty Plus Onsite Service Extended Year(s)  | 10       |
| ProSupport for IT: 7x24 Technical Support for certified IT Staff, Initial                                      | 10       |

487  
12

**LEASE NO: 001 - 008570903 - 004**

|   |    |
|---|----|
| ProSupport for IT: 7x24 Technical Support for certified IT Staff, 2<br>Year Extended  | 10 |
| Thank you choosing Dell ProSupport. For tech support, visit<br><a href="http://support.dell.com/ProSupport">http://support.dell.com/ProSupport</a> or call 1-866-516-3115 | 10 |
| Standard On-Site Installation Declined  | 10 |
| Standard On-Site Installation Declined  | 10 |
| State Environmental Fee for display 15 inches, less than 35<br>inches   | 10 |

All other terms and conditions of the Lease shall remain unchanged.

487  
13



\* \* \* COMMUNICATION RESULT REPORT ( MAY. 27. 2009 4:14PM ) \* \* \*

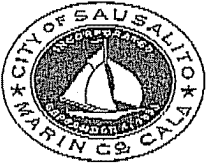
FAX HEADER 1: City of Sausalito  
FAX HEADER 2:

TRANSMITTED/STORED : MAY. 27. 2009 4:14PM  
FILE MODE OPTION

| FILE MODE      | OPTION | ADDRESS         | RESULT | PAGE |
|----------------|--------|-----------------|--------|------|
| 8133 MEMORY TX |        | G3 : Dell, Inc. | OK     | 2/2  |

REASON FOR ERROR OR LINE FAIL  
 E-1) HANG UP OR NO ANSWER  
 E-3) MAIL SIZE OVER

E-2) BUSY  
 E-4) NO FACSIMILE CONNECTION



# CITY OF SAUSALITO

420 Litho Street Sausalito, CA 94965  
 Telephone: (415) 289-4100  
 www.ci.sausalito.ca.us

## FAX COVERSHEET

TO: Jason Tran  
 COMPANY: DELL  
 FAX NUMBER: 512-283-9380

DATE: 5/27/09

FROM: JEREMY HOLT TEL #: (415) 289-4100 ext 104

\* \* \* \* \*

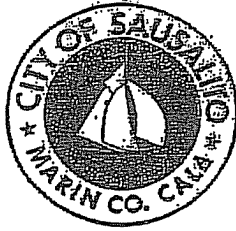
MESSAGE: HERE IS THE PO FOR THOSE  
20 SYSTEMS (10 DESKTOPS / 10 LAPTOPS)  
THANKS

Number of Pages Attached: 1

487  
15

# Purchase Order

City of Sausalito  
 420 Litho Street  
 Sausalito, CA 94965  
 (415) 289-4100



PO Number: 00001435

Vendor: DELL  
 Dell Marketing L.P.  
 C/O Dell USA L.P.  
 PO Box 910916  
 Pasadena, CA 91110-0916

Order Date: 05/06/2009

Deliver to:

Shipping Instructions:

Comment:  
 36 Month Lease

| Quantity                       | Price     | Amount    | Tax Amt  | Handling Amt | Total Amt | Balance Due | Task Code        | Type |
|--------------------------------|-----------|-----------|----------|--------------|-----------|-------------|------------------|------|
| 1.00                           | 12,850.40 | 12,850.40 | 817.24   | 116.00       | 13,783.64 | 13,783.64   | -                |      |
| 10 Dell Latitude E5500 laptops |           |           |          |              |           |             | 100-130-7000-760 |      |
| 1.00                           | 12,522.10 | 12,522.10 | 846.19   | 122.00       | 13,490.29 | 13,490.29   | -                |      |
| 10 Dell OptiPlex 760 Desktops  |           |           |          |              |           |             | 100-130-7000-760 |      |
| <b>TOTALS:</b>                 |           | 25,372.50 | 1,663.43 | 238.00       | 27,273.93 | 27,273.93   |                  |      |

*[Handwritten Signature]*  
 27 May 09

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

487  
 16



# Purchase Order

City of Sausalito  
 420 Litho Street  
 Sausalito, CA 94965  
 (415) 289-4100



PO Number: 00001435

Vendor: DELL  
 Dell Marketing L.P.  
 C/O Dell USA L.P.  
 PO Box 910916  
 Pasadena, CA 91110-0916

Order Date: 05/06/2009

Deliver to:

Shipping Instructions:

Comment:  
 36 Month Lease

| Quantity                       | Price     | Amount    | Tax Amt  | Handling Amt | Total Amt | Balance Due | Task Code        | Type |
|--------------------------------|-----------|-----------|----------|--------------|-----------|-------------|------------------|------|
| 1.00                           | 12,850.40 | 12,850.40 | 817.24   | 116.00       | 13,783.64 | 13,783.64   | -                |      |
| 10 Dell Latitude E5500 laptops |           |           |          |              |           |             | 100-130-7000-760 |      |
| 1.00                           | 12,522.10 | 12,522.10 | 846.19   | 122.00       | 13,490.29 | 13,490.29   | -                |      |
| 10 Dell OptiPlex 760 Desktops  |           |           |          |              |           |             | 100-130-7000-760 |      |
| <b>TOTALS:</b>                 |           | 25,372.50 | 1,663.43 | 238.00       | 27,273.93 | 27,273.93   |                  |      |

*Handwritten signature*  
 27 May 09

Signature: *Alvin A.*

Title: *City Manager*

487  
 17

1435

# Purchase Orders Requisitions Proof List

User: jfmegan  
05/22/2009 - 2:42 PM

| Req No                   | Description                    | PO No | Vendor Name         | GL Account Number | GL Account Description | Status   | Amount    |
|--------------------------|--------------------------------|-------|---------------------|-------------------|------------------------|----------|-----------|
| Department: 130          |                                |       |                     |                   |                        |          |           |
| Employee: Jeremy T. Holt |                                |       |                     |                   |                        |          |           |
| 643                      | 10 Dell Latitude E5500 laptops |       | Dell Marketing L.P. | 100-130-7000-760  | Computer Equipment     | Approved | 12,850.40 |
| 644                      | 10 Dell OptiPlex 760 Desktops  |       | Dell Marketing L.P. | 100-130-7000-760  | Computer Equipment     | Approved | 12,522.10 |
|                          |                                |       |                     | Department: 130   | Total:                 |          | 25,372.50 |
|                          |                                |       |                     |                   |                        |          | 25,372.50 |

487  
18

Requisitions Proof List

| Req No          | Req Date   | Item Name                                    | Vendor No | Appr Status   | Account No       | PM Task and Type | Quantity | Price     | Amount    |
|-----------------|------------|--|-----------|---|------------------|------------------|----------|-----------|-----------|
| 0000643         | 05/06/2009 | Employee No:HOLTR<br>Warning: General Ledger | DELL      | Undecided   | 100-130-7000-760 | -                | 1.00     | 12,850.40 | 12,850.40 |
|                 |            |  |           | The budget for account 100-130-7000-760 is exceeded by \$4,287.44 |                  |                  |          |           |           |
| 0000644         | 05/06/2009 | Warning: General Ledger                      | DELL      | Undecided   | 100-130-7000-760 | -                | 1.00     | 12,522.10 | 12,522.10 |
|                 |            |  |           | The budget for account 100-130-7000-760 is exceeded by \$3,959.14 |                  |                  |          |           |           |
| Employee Total: |            |  |           |   |                  |                  |          |           | 25,372.50 |
| Dept Total:     |            |  |           |   |                  |                  |          |           | 25,372.50 |
| Grand Total:    |            |  |           |   |                  |                  |          |           | 25,372.50 |

Tax 1,662.43  
State Fee 238.00  
27,273.93

for 36 Month Lease

# DELL | Financial Services

May 5, 2009

Thank you for the opportunity to present to you a proposal of our financial alternatives for acquisition of new Dell Computer products through Dell Financial Services.

Your greatest advantage in any product or service acquisition lies in the strength of the relationship between you and your provider. At Dell, we negotiate with our suppliers so that you, the Dell Customer, obtain the benefit of our leverage in the PC acquisition process.

Some of the benefits of leasing with Dell Financial Services include:

- **Fully Integrated Lease Processing** - Leasing is fully integrated into Dell systems and operations. The benefit to you is quick response to your leasing needs such as asset tracking and product upgrades.
- **One Stop Shopping** - Dell provides hardware, software, peripherals, service, support, and Dell Financial Service provides financing alternatives under a single integrated program. You don't have to seek out and educate a funding source to your requirements when you make that single call to Dell.
- **Multi-vendor Lease Program** - We will finance your other vendor's products along with Dell hardware, providing for "one stop financing" of all computer related products.

I am pleased to provide the following proposal. We would be happy to discuss any specific requirements you may have and develop a solution to meet your needs, upon our receipt of your financial information.

Regards,

Jason Tran  
Jason\_L\_Tran@Dell.com  
Fax: 512.283. 9380  
800-955-3355 ext. 723-7225  
Dell Financial Services

# DELL | Financial Services

City of Sausalito

May 5, 2009

| Customer#   | Quote \$\$\$ | Qty | Description    | Monthly Rental Payments  |          |
|---|--------------|-----|----------------|--|----------|
|   |              |     |                |  |          |
| 15521721  |              |     |                |  | 36 Month |
| Quote #   |              |     |                |  | FMV      |
| 487034119   | \$12,841.70  | 10  | Latitude E5500 |  | \$365.86 |
| 487033868   | \$12,484.40  | 10  | OptiPlex 760   |  | \$355.68 |
| Total:  | \$25,326.10  |     |                |  | \$721.54 |
|   |              |     |                | est. PPT   | \$19.43  |
|   |              |     |                | Payment:   | \$740.97 |
| *Lease and Lease rate factors subject to receipt of financial statements and credit approval. |              |     |                | Payments do not include all applicable taxes. PPT - Personal Property Tax: estimated charge from the state associated with any lease; \$1 Buy Out PPT rebilled Annually in arrears |          |

**Credit Approval:**

The proposed lease is subject to credit approval by Dell Financial Services, no material adverse change in the Lessee's financial condition; and is further conditioned upon the Lessee's compliance with all of its lease and loan agreements.

The lease quote contained herein is valid for 30 days and is indicative, and is subject to change depending on our evaluation of your credit standing.

Thank you for the opportunity to present this summary to some of our leasing products. It is our sincere wish that we can be of service in this capacity.

**FMV PURCHASE OPTION**

**END OF LEASE OPTIONS:**

Options available to lessee upon completion of the base lease term are as follows:

- 1) Exercise the option to purchase the products at the then fair market value of the products.
- 2) Return all products to lessor at lessee's expense.
- 3) Continue to lease on a fair market renewal basis.

**\$1 OUT OPTION**

**END OF LEASE OPTIONS:**

Options available to lessee upon completion of the base lease term are as follows:

- 1) Exercise the option to purchase the products for \$1.
- 2) Return all products to lessor at lessee's expense.

487  
21



May 5, 2009

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**GENERAL**

**DOCUMENTATION:**

This offer is subject to the execution of mutually acceptable documentation between the Lessor and the Lessee, the terms and conditions of which shall be controlling. Dell Financial Services will charge a one time \$75.00 documentation fee on each new lease.

**MONTHLY PAYMENTS:**

Monthly payments are to be in advance. Dell Financial Services does not require any up front payments. Billing for your new lease by Dell Financial Services will begin 23 days after ship date. Your first invoice will include a one-time charge for applicable shipping and taxes.

**NET LEASE:**

The above Lease Quote is net of maintenance fees, filing fees, licensing fees, property or use taxes, insurance premiums and similar items that shall be for Lessee's account.

**INSURANCE:**

Lessee shall provide lessor written confirmation of insurance coverage acceptable to lessor.

**TRANSACTION APPROVAL:**

**Financial Statements:**

Lessee shall provide Lessor with its audited financial statements for the last two (2) years, and its current interim financial statements, when applicable. As well as, other financial information as required by Lessor.

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02



# QUOTATION

**QUOTE #:** 482600726  
**Customer #:** 15521721  
**Contract #:** N39913654  
**Customer Agreement #:** NASPOWSCA # A63307  
**Quote Date:** 4/3/09  
**Customer Name:** CITY OF SAUSALITO

Date: 4/3/09 5:11:10 PM

|                                 |                    |                                       |          |
|---------------------------------|--------------------|---------------------------------------|----------|
| <b>TOTAL QUOTE AMOUNT:</b>      | <b>\$13,783.64</b> |                                       |          |
| <b>Product Subtotal:</b>        | <b>\$12,850.40</b> |                                       |          |
| <b>Tax:</b>                     | <b>\$817.24</b>    |                                       |          |
| <b>State Environmental Fee:</b> | <b>\$116.00</b>    |                                       |          |
| <b>Shipping &amp; Handling:</b> | <b>\$0.00</b>      |                                       |          |
| <b>Shipping Method:</b>         | <b>Ground</b>      | <b>Total Number of System Groups:</b> | <b>1</b> |

| GROUP: 1                           | QUANTITY: 10  | SYSTEM PRICE: \$1,296.64 | GROUP TOTAL: \$12,966.40 |
|------------------------------------|---|--------------------------|--------------------------|
| <b>Base Unit:</b>                  | Latitude E5500, Intel Core 2 Duo T7250, 2.00GHz, 2M L2 Cache, 800MHz FSB (224-0744)   |                          |                          |
| <b>Memory:</b>                     | 2.0GB, DDR2-800 SDRAM, 1 DIMM for Latitude E5X00 (311-9241)   |                          |                          |
| <b>Keyboard:</b>                   | Internal English Keyboard Single Pointing, for Latitude Notebooks (330-1000)  |                          |                          |
| <b>Keyboard:</b>                   | Documentation (English) Latitude E-Family/Mobile Precision (330-1652)   |                          |                          |
| <b>Video Card:</b>                 | Intel Integrated Graphics Media Accelerator 4500MHD, Latitude E5X00 (320-6894)  |                          |                          |
| <b>Hard Drive:</b>                 | 120GB Hard Drive 9.5MM,7200RPMFFS for Latitude E6X00 (341-6969)   |                          |                          |
| <b>Hard Drive Controller:</b>      | Single pointing touchpad for Latitude E5500 (311-8955)  |                          |                          |
| <b>Floppy Disk Drive:</b>          | 15.4 inch Wide Screen WXGA LCDfor Latitude E5500 (320-6895)   |                          |                          |
| <b>Operating System:</b>           | Windows XP PRO SP3 with Windows Vista Business LicenseEnglish,Dell Latitude (420-9610)  |                          |                          |
| <b>Modem:</b>                      | No Modem for Latitude E-Family (313-6507)   |                          |                          |
| <b>TBU:</b>                        | US - 3-FT, 3-Pin Flat E-FamilyPower Cord for Latitude E-Family (330-0879)   |                          |                          |
| <b>TBU:</b>                        | 90W 3-Pin, AC Adapter for Latitude E5400/5500 (330-1970)  |                          |                          |
| <b>CD-ROM or DVD-ROM Drive:</b>    | 8X DVD+/-RW for Latitude E5X00 (313-6663)   |                          |                          |
| <b>CD-ROM or DVD-ROM Drive:</b>    | Cyberlink Power DVD 8.1,with Media,Dell Latitude/Mobile Precision (420-9184)  |                          |                          |
| <b>CD-ROM or DVD-ROM Drive:</b>    | Roxio Creator Dell Edition,9.0Dell Latitude/Mobile Precision (420-8010)   |                          |                          |
| <b>Processor Cable:</b>            | Dell WLAN 1397 (802.11b/g) 1/2MiniCard for Latitude E/MobilePrecision (430-3085)  |                          |                          |
| <b>Bundled Software:</b>           | Intel Core 2 Duo Processor (310-8319)   |                          |                          |
| <b>Factory Installed Software:</b> | Quick Reference Guide for Latitude E5X00 (330-1006)   |                          |                          |
| <b>Factory Installed Software:</b> | Resource DVD with Diagnostics and Drivers for Latitude e5500Notebook (330-1005)   |                          |                          |
| <b>Feature</b>                     | 6-Cell/54-WHr Battery for Latitude E5X00 (312-0743)   |                          |                          |
| <b>Feature</b>                     | Nylon Deluxe Top Load CarryingCase 15.4 inch for Latitude E/Mobile Precision (330-0858)   |                          |                          |
| <b>Service:</b>                    | ProSupport for IT: 7x24 Technical Support for certified IT Staff, 2 Year Extended (983-7582)  |                          |                          |
| <b>Service:</b>                    | ProSupport for IT: 7x24 Technical Support for certified IT Staff, Initial (984-3990)  |                          |                          |
| <b>Service:</b>                    | Thank you choosing Dell ProSupport. For tech support, visit <a href="http://support.dell.com/ProSupport">http://support.dell.com/ProSupport</a> or call 1-866-516-31 (989-3449) |                          |                          |
| <b>Service:</b>                    | ProSupport for IT: Next Business Day Parts and Labor Onsite Response 2 Year Extended (989-5882)   |                          |                          |
| <b>Service:</b>                    | ProSupport for IT: Next Business Day Parts and Labor Onsite Response Initial Year (989-8590)  |                          |                          |
| <b>Service:</b>                    | Dell Hardware Limited Warranty Plus Onsite Service Initial Year (991-5247)  |                          |                          |
| <b>Service:</b>                    | Dell Hardware Limited Warranty Plus Onsite Service Extended Year(s) (991-5378)  |                          |                          |
| <b>Installation:</b>               | Standard On-Site Installation Declined (900-9987)   |                          |                          |
| <b>Support:</b>                    | CompleteCare Accidental DamageProtection, 3 Year (989-6252)   |                          |                          |
| <b>Support:</b>                    | Info, Complete Care (988-7689)  |                          |                          |

487  
23

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|-------|--|
| Misc: | Vista Premium Downgrade Relationship Notebook (310-9160)                         |
|       | E/Port, Simple Port Replicator for Latitude E-Family/Mobile Precision (430-3097) |
|       | State Environmental Fee for display 15 inches, less than 35 inches (600-0040)    |
|       |  |

|                |                          |            |               |
|----------------|--------------------------|------------|---------------|
| SALES REP:     | Kimberly Macias          | PHONE:     | 1800-695-8133 |
| Email Address: | Kimberly_Macias@Dell.com | Phone Ext: | 7250291       |

For shipments of certain products to California, a State Environmental Fee of up to \$10 per item has been added to your quote.

For your convenience, your sales representative, quote number and customer number have been included to provide you with faster service when you are ready to place your order. Orders may be faxed to the attention of your sales representative to 1-866-607-6914. You may also place your order online at <http://www.dell.com/qto>.

This quote is subject to the terms of the agreement signed by you and Dell, or absent such agreement, to Dell's Terms of Sale.

*Prices and tax rates are valid in the U.S. only and are subject to change. Taxes reflected on quotes are estimates and may vary from tax shown at invoicing based on the actual ship to address.*

*\*\*Sales/use tax is a destination charge, i.e. based on the "ship to" address on your purchase order. Please indicate your taxability status on your PO. If exempt, please fax exemption certificate to Dell Tax Department at 1-888-863-8778, referencing your customer number. If you have any questions regarding tax please call 800-433-9019 or email [Tax\\_Department@dell.com](mailto:Tax_Department@dell.com).\*\**

All product and pricing information is based on latest information available. Subject to change without notice or obligation.

LCD panels in Dell products contain mercury, please dispose properly. Please contact Dell Financial Services' Asset Recovery Services group for EPA compliant disposal options at [US\\_Dell\\_ARS\\_Requests@dell.com](mailto:US_Dell_ARS_Requests@dell.com). Minimum quantities may apply.

Dell has a 30 day return policy for new products purchased directly from Dell. Dell's Total Satisfaction Return Policy may be found at [http://www.dell.com/us/en/hied/misc/policy\\_010\\_policy.htm](http://www.dell.com/us/en/hied/misc/policy_010_policy.htm).

Shipments to California: For certain products, a State Environmental Fee of up to \$10 per item may be applied to your invoice as early as Jan 1, 2005. Prices in your cart do not reflect this fee. More Info: Refer to URL [www.dell.com/environmentalfee](http://www.dell.com/environmentalfee).

487  
24



**DELL****QUOTATION****QUOTE #: 483862013****Customer #: 15521721****Contract #: N39913654****Customer Agreement #: NASPOWSCA # A63307****Quote Date: 4/13/09****Customer Name: CITY OF SAUSALITO****Date: 4/13/09 2:38:09 PM**

|                                 |                    |                                       |          |
|---------------------------------|--------------------|---------------------------------------|----------|
| <b>TOTAL QUOTE AMOUNT:</b>      | <b>\$13,490.29</b> |                                       |          |
| <b>Product Subtotal:</b>        | <b>\$12,522.10</b> |                                       |          |
| <b>Tax:</b>                     | <b>\$846.19</b>    |                                       |          |
| <b>State Environmental Fee:</b> | <b>\$122.00</b>    |                                       |          |
| <b>Shipping &amp; Handling:</b> | <b>\$0.00</b>      |                                       |          |
| <b>Shipping Method:</b>         | <b>Ground</b>      | <b>Total Number of System Groups:</b> | <b>1</b> |

| <b>GROUP: 1</b>                    | <b>QUANTITY: 10</b>  | <b>SYSTEM PRICE: \$1,264.41</b> | <b>GROUP TOTAL: \$12,644.10</b> |
|------------------------------------|--|---------------------------------|---------------------------------|
| <b>Base Unit:</b>                  | <b>OptiPlex 760 Desktop Base Standard PSU (224-2213)</b>   |                                 |                                 |
| <b>Processor:</b>                  | <b>OptiPlex 760,Core 2 Duo E8400/3.0GHz,6M,1333FSB (311-9513)</b>  |                                 |                                 |
| <b>Memory:</b>                     | <b>4GB,Non-ECC,800MHz DDR2,4x1GB OptiPlex (311-9530)</b>   |                                 |                                 |
| <b>Keyboard:</b>                   | <b>Dell USB Keyboard,No Hot Keys English,Black,Optiplex (330-1987)</b>   |                                 |                                 |
| <b>Monitor:</b>                    | <b>Dell UltraSharp 1907FPV Flat Panel with Height Adjustable Stand,19.0 Inch VIS,Optiplex, Precision and Latitude (320-4976)</b>   |                                 |                                 |
| <b>Video Card:</b>                 | <b>256MB ATI RADEON HD 3450 Graphics dual DVI and VGA and TV Out, LP,OptiPlex (320-7362)</b>   |                                 |                                 |
| <b>Hard Drive:</b>                 | <b>80GB SATA 3.0Gb/s and 8MB DataBurst Cache,Dell OptiPlex (341-8006)</b>  |                                 |                                 |
| <b>Floppy Disk Drive:</b>          | <b>3.5 inch,1.44MB,Floppy Drive Dell OptiPlex Desktop or Minitower (341-3840)</b>  |                                 |                                 |
| <b>Floppy Disk Drive:</b>          | <b>Cable for 3.5IN,1.44MB Floppy Drive, Dell OptiPlex Desktop (330-0475)</b>   |                                 |                                 |
| <b>Operating System:</b>           | <b>Windows XP PRO SP3 with Windows Vista Business LicenseEnglish,Dell Optiplex (420-9570)</b>  |                                 |                                 |
| <b>Mouse:</b>                      | <b>Dell USB 2 Button Optical Mouse with Scroll,Black OptiPlex (330-2733)</b>   |                                 |                                 |
| <b>NIC:</b>                        | <b>Intel Standard Manageability Hardware Enabled Systems Management, Dell OptiPlex (330-2902)</b>  |                                 |                                 |
| <b>CD-ROM or DVD-ROM Drive:</b>    | <b>Roxio Creator Dell Edidion,9.0Dell OptiPlex (420-7963)</b>  |                                 |                                 |
| <b>CD-ROM or DVD-ROM Drive:</b>    | <b>Cyberlink Power DVD 8.1,with Media,Dell OptiPlex/Precision (420-9179)</b>   |                                 |                                 |
| <b>CD-ROM or DVD-ROM Drive:</b>    | <b>16X DVD+/-RW SATA,Data Only Dell OptiPlex Desktop or Minitower,Black (313-7104)</b>   |                                 |                                 |
| <b>Sound Card:</b>                 | <b>Heat Sink, Mainstream, Dell Optiplex Desktop (311-9521)</b>   |                                 |                                 |
| <b>Speakers:</b>                   | <b>Internal Chassis Speaker Option,Dell OptiPlex Desktop (313-3351)</b>  |                                 |                                 |
| <b>Cable:</b>                      | <b>OptiPlex 760 Desktop Standard Power Supply (330-1982)</b>   |                                 |                                 |
| <b>Documentation Diskette:</b>     | <b>Documentation,English,Dell OptiPlex (330-1710)</b>  |                                 |                                 |
| <b>Documentation Diskette:</b>     | <b>Power Cord,125V,2M,C13,Dell OptiPlex (330-1711)</b>   |                                 |                                 |
| <b>Bundled Software:</b>           | <b>Vista Premium Downgrade Relationship Desktop (310-9161)</b>   |                                 |                                 |
| <b>Factory Installed Software:</b> | <b>Dell Energy Smart Power Management Settings Enabled OptiPlex (310-9504)</b>   |                                 |                                 |
| <b>Feature</b>                     | <b>No Resource DVD for Dell Optiplex, Latitude, Precision (313-3673)</b>   |                                 |                                 |
| <b>Service:</b>                    | <b>ProSupport for IT: Next Business Day Parts and Labor Onsite Response Initial Year (991-6370)</b>  |                                 |                                 |
| <b>Service:</b>                    | <b>ProSupport for IT: Next Business Day Parts and Labor Onsite Response 2 Year Extended (991-3642)</b>   |                                 |                                 |
| <b>Service:</b>                    | <b>Dell Hardware Limited Warranty Plus Onsite Service Initial Year (992-6507)</b>  |                                 |                                 |
| <b>Service:</b>                    | <b>Dell Hardware Limited Warranty Plus Onsite Service Extended Year(s) (992-6508)</b>  |                                 |                                 |
| <b>Service:</b>                    | <b>ProSupport for IT: 7x24 Technical Support for certified IT Staff, Initial (984-6640)</b>  |                                 |                                 |
| <b>Service:</b>                    | <b>ProSupport for IT: 7x24 Technical Support for certified IT Staff, 2 Year Extended (984-0002)</b>  |                                 |                                 |
| <b>Service:</b>                    | <b>Thank you choosing Dell ProSupport. For tech support, visit <a href="http://support.dell.com/ProSupport">http://support.dell.com/ProSupport</a> or call 1-866-516-31 (989-3449)</b> |                                 |                                 |

487  
25

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|---------------|---|
| Installation: | Standard On-Site Installation Declined (900-9987)                                 |
| Installation: | Standard On-Site Installation Declined (900-9987)                                 |
| Misc:         | McAfee Security 9,English, 3 Year,Dell OptiPlex,Precision and Latitude (410-1156) |
| Misc:         | Quick Reference Guide, Eng Dell OptiPlex 760,Factory Install (330-2016)           |
| Misc:         | Shipping Material for System Neo Desktop,Dell OptiPlex Desktop (330-1187)         |
|               | State Environmental Fee for display 15 inches, less than 35 inches (600-0040)     |
|               |   |

|                |                          |            |               |
|----------------|--------------------------|------------|---------------|
| SALES REP:     | Kimberly Macias          | PHONE:     | 1800-695-8133 |
| Email Address: | Kimberly_Macias@Dell.com | Phone Ext: | 7250291       |

For shipments of certain products to California, a State Environmental Fee of up to \$10 per item has been added to your quote.

For your convenience, your sales representative, quote number and customer number have been included to provide you with faster service when you are ready to place your order. Orders may be faxed to the attention of your sales representative to 1-866-607-6914. You may also place your order online at <http://www.dell.com/qto>.

This quote is subject to the terms of the agreement signed by you and Dell, or absent such agreement, to Dell's Terms of Sale.

*Prices and tax rates are valid in the U.S. only and are subject to change. Taxes reflected on quotes are estimates and may vary from tax shown at invoicing based on the actual ship to address.*

**\*\*Sales/use tax is a destination charge, i.e. based on the "ship to" address on your purchase order. Please indicate your taxability status on your PO. If exempt, please fax exemption certificate to Dell Tax Department at 1-888-863-8778, referencing your customer number. If you have any questions regarding tax please call 800-433-9019 or email [Tax\\_Department@dell.com](mailto:Tax_Department@dell.com)\*\***

All product and pricing information is based on latest information available. Subject to change without notice or obligation.

LCD panels in Dell products contain mercury, please dispose properly. Please contact Dell Financial Services' Asset Recovery Services group for EPA compliant disposal options at [US\\_Dell\\_ARS\\_Requests@dell.com](mailto:US_Dell_ARS_Requests@dell.com). Minimum quantities may apply.

Dell has a 30 day return policy for new products purchased directly from Dell. Dell's Total Satisfaction Return Policy may be found at [http://www.dell.com/us/en/hied/misc/policy\\_010\\_policy.htm](http://www.dell.com/us/en/hied/misc/policy_010_policy.htm).

Shipments to California: For certain products, a State Environmental Fee of up to \$10 per item may be applied to your invoice as early as Jan 1, 2005. Prices in your cart do not reflect this fee. More Info: Refer to URL [www.dell.com/environmentalfee](http://www.dell.com/environmentalfee).

487  
26

AMENDMENT TO MUNICIPAL MASTER LEASE AGREEMENT

THIS AMENDMENT is made as of this 11th day of February, 2003.

MARIN COUNTY ("Lessee") and Dell Marketing, L.P. ("Lessor") entered into a Municipal Master Lease Agreement No. 1701469, dated February 11, 2003 (the "Master Lease") and hereby mutually agree to amend the terms of the Master Lease as provided herein.

1. In Section 6 of the Master Lease, the word "us", in the third sentence, is hereby deleted and replaced with the word "we".
2. Section 12 is deleted in its entirety and restated as follows: "TAXES; PERSONAL PROPERTY TAX FEES: You agree to pay us all personal property taxes assessed against the Equipment and a related administration fee or, upon the parties agreement, we may charge you a liquidated periodic personal property tax fee. In addition we may charge you a one time personal property tax fee prior to lease termination to offset any potential assessed or pending personal taxes, fees, fines and penalties which may be imposed, levied or assessed by any federal, state or local government or agency which relate to this Master Lease and each Schedule, the Equipment or its use. Fines and penalties will be limited to any incurred as a result of your failure to act in accordance with federal, state and local tax laws and codes and/or the terms of this Lease. You agree to reimburse us for reasonable costs incurred in collecting or paying any taxes, assessments, charges, penalties or fees."
3. Section 14(a) is hereby restated: "fail to make any Lease payment when due, except as provided in section 20, or..."
4. In Section 14, the second sentence is deleted in its entirety and restated as follows: "If you do not return the Equipment to us within twenty (20) days of our notice of your default, you will also pay a liquidated Equipment charge equal to the anticipated Lease-end residual value of the Equipment."
5. Section 15 is deleted in its entirety and restated as follows: "CHOICE OF LAW; JURISDICTION; VENUE; NON-JURY TRIAL: You and any guarantor agree that this Master Lease and each Schedule will be deemed fully executed and performed in the State of California and will be governed by California law. YOU AND ANY GUARANTOR ALSO EXPRESSLY AGREE TO: (a) BE SUBJECT TO THE PERSONAL JURISDICTION OF THE STATE BY WHOSE LAWS THIS LEASE IS TO BE CONSTRUED; (b) ACCEPT VENUE IN ANY FEDERAL OR STATE COURT IN SUCH STATE, AND (c) WAIVE ANY RIGHT TO A TRIAL BY JURY. Any charge in the agreement and each schedule which exceeds the amount allowed by law shall be reduced to the maximum allowed."
6. In Section 16, the word "Michigan" is hereby replaced with the word "California" in all instances of its appearance.

487  
27



County of Marin  
Information Services & Technology Department  
Ben B. Dresden Director

February 3, 2003

Marin County Board of Supervisors  
3501 Civic Center Drive  
San Rafael, Ca. 94901

Subject: Lease of personal computing equipment from Dell Computer Corporation.

Dear Supervisors:

**RECOMMENDATION:** We recommend that the Board authorize the lease agreement between the County and Dell Computer Corporation for acquisition of personal computing equipment and peripherals for lease by the County.

**SUMMARY:** In December 1998 the Board approved the acquisition of computers under a lease agreement. This program was initiated to provide standardized, quality personal computing equipment for County offices. The County then entered into contract with Eplus (formerly MLC) to lease the equipment for a three-year period, with options to continue for a fourth year or to purchase the equipment at expiration of the lease. FY 2001/02 has marked the successful completion of the third year of the program.

Through the contract, the County designates the supplier and configuration of the computing equipment. In 2000, Dell Computer Corporation was approved as a provider of computer equipment. Dell has provided us with dependable products, good pricing and excellent customer service.

While Eplus has provided good service to the County, we are now recommending that dealing directly with Dell as our Lessor will improve the County's PC Lease program:

- Orders for new equipment will be sent directly to Dell, thereby eliminating the "middle man" in the process.
- Dell's online tracking system will allow us to use the Internet to track the status of an order, thereby improving customer service.
- Dell has provided a competitive interest rate for leasing equipment.
- Dell has provided a fixed "buy-out" rate for purchase of equipment after three years. This rate is fixed at 10%, which is a significant improvement over the 12.5% to 25% variable rate we currently have with Eplus.

487  
28

Dell Marketing, L.P.

One Dell Way, Building B, Box 8747  
Round Rock, TX 78682

**Municipal Master Agreement:**

**Lessee Legal Name: Marin, County of**

Dear Customer: This Municipal Master Lease ("Master Lease") is written in simple and easy to read language. Please read this Master Lease thoroughly and feel free to ask us any questions you may have about it. The words YOU and YOUR refer to the Lessee. The words WE, US, and OUR refer to the Lessor, Dell Marketing, L.P.

**MASTER AGREEMENT.** The terms of this Agreement are master terms which may be incorporated into, and constitute a part of, one or more Schedules between us and you. Each Schedule will constitute a separate, assignable Lease Agreement which incorporates the terms of this Master Lease. When the term "Lease" is used in this Master Lease, it will mean each Schedule individually, together with the terms of this Master Lease. This Master Lease and each Schedule is a complete and exclusive statement of our Agreement concerning the Schedule.

**IMPORTANT: FOR THE SAKE OF CLARITY, PLEASE DISTINGUISH BETWEEN THE TERMS AND CONDITIONS APPLICABLE TO THE LEASING TRANSACTION (AS STATED IN THIS MASTER LEASE AND EACH SCHEDULE) AND THE TERMS AND CONDITIONS THAT GRANT WARRANTY RIGHTS IN CONNECTION WITH THE MANUFACTURE AND SALE OF THE EQUIPMENT (AS STATED IN DELL'S SERVICE AGREEMENT). THE LEASING RIGHTS AND OBLIGATIONS PROVIDED IN THIS MASTER LEASE AND EACH SCHEDULE ARE NOT AFFECTED BY THE ORAL STATEMENTS OR REPRESENTATIONS OF THE MANUFACTURER'S SALES FORCE.**

**TERMS/CONDITIONS:**

- LEASE AGREEMENT; PAYMENTS:** We agree to lease to you and you agree to lease from us the Equipment ("Equipment") listed on any Schedule entered into by both of us. You promise to pay us the Lease payments shown on any Schedule according to the terms of the Schedule.
- GENERAL TERMS; EFFECTIVENESS:** You agree to all the terms and conditions of this Master Lease and each Schedule. The Equipment will not be used for personal, family or household purposes. If the cost or taxes vary from the estimate, you agree that we may adjust the Lease payment and/or (Purchase) Option Price accordingly upward or downward up to twenty percent (20%). You acknowledge receipt of a copy of this Master Lease and each Schedule and acknowledge that you have selected the Equipment covered by each Schedule. This Master Lease will be effective as of the Effective Date set forth below. **INDIVIDUAL SCHEDULE(S) WILL COMMENCE ON THE EARLIER OF THE DATE SPECIFIED ON EACH SCHEDULE OR THE DATE YOU ACCEPT THE EQUIPMENT. UNLESS YOU NOTIFY US OF YOUR REJECTION OF THE EQUIPMENT BEFORE SUCH TIME, THE EQUIPMENT SHALL BE DEEMED ACCEPTED BY YOU SEVEN (7) BUSINESS DAYS AFTER THE DATE OF SHIPMENT, SUBJECT TO ANY RIGHT OF RETURN PROVIDED BY THE MANUFACTURER.** You appoint us as your attorney-in-fact for the sole purpose of executing, delivering and recording financing statements on your behalf to show our interest in the Equipment. You agree that we are authorized without notice to you, to supply missing information or correct obvious errors in this Master Lease and any Schedule. Any security deposit you have given us may be used by us to cover any costs or losses we may suffer due to your default of any Lease. The security deposit is refundable upon expiration of the Lease, provided all Lease terms and conditions have been performed.
- LATE CHARGES; OTHER CHARGES:** If any payment is not made when due, you agree to pay a late charge at the rate of ten percent (10%) of such late payment and each month thereafter, a finance charge of one and one-half percent (1.5%) on any unpaid delinquent balance. You also agree to pay a documentation fee of \$0.
- RENEWAL:** Unless the Schedule has a \$1.00 purchase option, after the original term of a Schedule expires, the Schedule will automatically renew for successive one (1) month terms unless you send us written notice that you do not want it to renew at least sixty (60) days before the end of any term.
- EQUIPMENT OWNERSHIP:** Title to the leased Equipment shall not pass to you unless and until you exercise a purchase option and make the required purchase payment. You agree to keep the Equipment free from liens and encumbrances.

Lessee: please initial here \_\_\_\_\_ to certify that you have received and read this page.  
Revision: 10/30/02 Page 1 of 5

Reference: 11054681

Item #: 4.B-1

4B7  
29

13. **ASSIGNMENT; YOU MAY NOT SELL, PLEDGE, TRANSFER, ASSIGN OR SUBLEASE THE EQUIPMENT OR THIS MASTER LEASE OR ANY SCHEDULE.** We may sell, assign or transfer all or any part of this Master Lease, any Schedule and/or the Equipment. The new owner will have the same rights that we have, but you agree you will not assert against the new owner any claims, defenses or set-offs that you may have against us or any supplier. You agree that any assignment will not materially affect your rights and benefits under this Master Agreement or any Schedule.
14. **DEFAULT; DAMAGES;** If you (a) fail to make any Lease payment when due or (b) become insolvent or commence bankruptcy or receivership proceedings or have such proceedings commenced against you, or (c) terminate your existence by merger, consolidation, sale of substantially all your assets, or (d) default under any other agreement you have with us or our affiliates, or (e) otherwise breach any provision of this Master Lease or any Schedule, we may accelerate the remaining balance due on this Master Lease and any Schedule and demand the immediate return of the Equipment to us. If you do not return the Equipment to us within ten (10) days of our notice of your default, you will also pay a liquidated Equipment charge equal to the anticipated Lease-end residual value of the Equipment. We may also use any remedies available to us under the Uniform Commercial Code or any other applicable law. You agree to pay our attorney's fees at twenty-five percent (25%) of the amount you owe, plus all actual costs, including all costs of any Equipment repossession. You waive any notice of our repossession or disposition of the Equipment. By repossessing any Equipment, we do not waive our right to collect the balance due on any Lease. We will not be responsible to you for any consequential or incidental damages. Our delay or failure to enforce our rights under this Master Lease and each Schedule will not prevent us from doing so at a later time.
15. **CHOICE OF LAW; JURISDICTION; VENUE; NON-JURY TRIAL:** You and any guarantor agree that this Agreement and each Schedule will be deemed fully executed and performed in the State of Texas and will be governed by Texas law; however, in the event that we sell or assign this lease to another party, you agree the lease will be construed in accordance with the laws of the state in which such third party maintains its principal place of business. YOU AND ANY GUARANTOR ALSO EXPRESSLY AGREE TO: (a) BE SUBJECT TO THE PERSONAL JURISDICTION OF THE STATE BY WHOSE LAWS THIS LEASE IS TO BE CONSTRUED, (b) ACCEPT VENUE IN ANY FEDERAL OR STATE COURT IN SUCH STATE, AND (c) WAIVE ANY RIGHT TO A TRIAL BY JURY. Any charge in the Agreement and each Schedule charge which exceeds the amount allowed by law shall be reduced to the maximum allowed.
16. **FINANCE LEASE; AMENDMENTS:** THIS MASTER AGREEMENT AND EACH SCHEDULE IS A "FINANCE AGREEMENT" UNDER THE UNIFORM COMMERCIAL CODE AS ADOPTED IN MICHIGAN ("UCC"). THIS MASTER AGREEMENT AND EACH SCHEDULE MAY NOT BE AMENDED EXCEPT BY A WRITING WHICH WE HAVE SIGNED. YOU WAIVE ANY AND ALL RIGHTS AND REMEDIES YOU MAY HAVE UNDER UCC 2A-508 THROUGH 2A-522, INCLUDING ANY RIGHT TO: (a) CANCEL THIS MASTER AGREEMENT AND EACH SCHEDULE; (b) REJECT TENDER OF THE EQUIPMENT; (c) REVOKE ACCEPTANCE OF THE EQUIPMENT; (d) RECOVER DAMAGES FOR ANY BREACH OF WARRANTY; AND (e) MAKE DEDUCTIONS OR SET-OFFS, FOR ANY REASON, FROM AMOUNTS DUE US UNDER THIS MASTER AGREEMENT AND EACH SCHEDULE. IF ANY PART OF THIS MASTER AGREEMENT AND EACH SCHEDULE IS INCONSISTENT WITH UCC 2A, THE TERMS OF THIS MASTER AGREEMENT AND EACH SCHEDULE WILL GOVERN.
17. **EQUIPMENT RETURN:** If you do not exercise the Lease End Purchase Option at the end of any Schedule term, as extended or renewed ("Termination Date"), you will immediately crate, insure and ship the Equipment, in good working condition, to us by means we designate, with all expenses to be prepaid by you. If you fail to return the Equipment to us as agreed, you shall pay to us the regular Lease payments each month from the Termination Date until the Equipment is returned. You will be responsible for any damage to the Equipment during shipping.
18. **PURCHASE OPTION:** If you are not in default, you may at any time with sixty (60) days prior written notice purchase all (but not less than all) the Equipment for a price equal to the sum of all remaining payments to come due during the term (if any) plus the Lease End Purchase Option price indicated on Schedule A plus any applicable sales taxes and fees. You must give us sixty (60) days advance written notice of your intent to exercise this option unless the purchase is being made at the end of the term and the purchase option is \$1.00.

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 Revision: 10/30/92 Page 3 of 5

Reference: 11054681

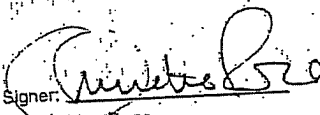
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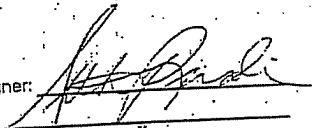
Item #: 4.B-1  
 Meeting Date: 7-24-07

23. PURCHASE ORDERS: You may use purchase orders in lieu of Equipment Schedules provided that such purchase order(s) provide that they are issued pursuant to this Master Agreement and contain at least all of the information that would be contained in an Equipment Schedule executed hereunder. Such information includes, but is not limited to, the lease term, quantity, model number, equipment description, serial number (if required), monthly lease payment, and any other monetary obligations. Any terms and conditions contained in any purchase order to be used in lieu of an Equipment Schedule shall not apply and the only terms and conditions which are applicable are those contained in the Master Agreement. Moreover, the terms and conditions of this Master Agreement are incorporated into and become a part of each purchase order to be used in lieu of an Equipment Schedule.
24. FAX EXECUTION PROVISIONS: At our election, we may accept a fax transmission of this Master Agreement and/or Schedule. If we accept a fax transmission, the fax version of this Master Agreement and/or Schedule, as received by us, shall constitute the original Master Agreement and/or Schedule and shall be binding on you as if it were manually signed. We may treat and rely upon any fax version of this Master Agreement and/or Schedule as the original. However, no fax version of the Master Lease Agreement and/or Schedule(s) shall become effective and binding against us until manually signed by us in our Michigan offices. If you elect to sign and transmit this Master Agreement and/or Schedule by fax, you waive notice of our acceptance of this Master Lease Agreement and/or Schedule and waive receipt of the accepted Master Agreement and/or Schedule.

(Lessee)  
Marin, County of

(Lessor)  
Dell Marketing, L.P.

Authorized Signer:   
Print Name: Annette Rose  
Title: President, Board of Supervisors  
Date: February 11th, 2003

Authorized Signer:   
Print Name: Seth Rudin  
Title: DGL&F Program Manager  
Date: 2/26/03

487  
31