



Legislation Text

File #: 44225, **Version:** 1

Fiscal Note

The 2016 Information Technology (IT) operating budget includes \$4,000 for recycling fees (MUNIS 17200-54245) and \$8,000 (MUNIS 17200-48110) for the sale of assets. The fees are paid to Cascade Asset Management for each piece of equipment sent for recycling regardless of whether the equipment can be refurbished and resold. If the piece of equipment can be refurbished and sold, Cascade credits IT with a rebate against future processing fees. At the end of the year, a reconciliation is performed and Cascade pays the City any balance due.

Adopted resolution RES-16-00359 (Legistar File 42664) authorized IT to donate computers and laptops that Cascade Asset Management deemed capable of being refurbished to DANENet, who would in turn donate the refurbished equipment to qualified Digital Divide subscribers. Cascade Asset Management would donate the refurbishment services.

Since private entities will be donating a sufficient number of computers, this proposed resolution authorizes IT to return to the original arrangement with Cascade, and at year end, when Cascade pays the City any balance due, the funds will be deposited in the Residential Internet Access Assistance Project (MUNIS Project 10399) to help offset setup and licensing costs for Digital Divide subscribers. Any loss in rebate revenue will be absorbed within IT's 2016 operating budget. No appropriation is required.

Title

Amending adopted RES-16-00359, Legislative File No. 42664 to authorize Information Technology to use the funds generated by donated computers/laptops sent to Cascade Asset Management to offset the setup and licensing costs of computers/laptops given to qualified subscribers in the Digital Divide Pilot areas.

Body

WHEREAS, the Common Council adopted RES-16-00359, Legislative File No. 42664 on May 17, 2016 authorizing Information Technology to donate computer/laptops sent to Cascade Asset Management for refurbishment and redistribution to qualified subscribers in the Digital Divide Pilot areas; and,

WHEREAS, the City has a two year pilot project underway to provide low-cost, high-speed Internet service to four areas (Kennedy Heights Apartments, Allied Drive NRT, Darbo/Worthington NRT, and Brentwood NRT) in an effort to bridge the Digital Divide; and,

WHEREAS, Information Technology contracts with Cascade Asset Management for the refurbishment and/or recycling of all City electronics and earns a rebate from the sale of the refurbished equipment; and,

WHEREAS, Cascade Asset Management has agreed to partner with the City and provide refurbishment services for computers/laptops and donate their portion of the resale profit; and,

WHEREAS, the City would like to donate the refurbished computers/laptops to DANENet for distribution to qualified subscribers in the pilot areas rather than earn a rebate on those devices; and,

WHEREAS, American Family Insurance, CUNA and Old National Bank will now donate 650 newer computers that make the city devices unneeded for this pilot; and,

WHEREAS, the city will modify their commitment to use the funds generated by the refurbishment process at

Cascade to now be used to offset the setup and licensing costs for these newly donated computers,

NOW, THEREFORE, BE IT RESOLVED, that Information Technology is authorized to use the funds from the donated refurbished computers/laptops to offset setup and licensing costs in the Digital Divide pilot project; and,

BE IT FURTHER RESOLVED, that Information Technology is authorized to receive refurbishment services from Cascade Asset Management, who will donate their portion of the resale profit to the pilot program, for laptops/computers being donated to DANEnet.