DATE: April 26, 2001

TO: Board of Trustees

FROM: Dr. Philip R. Day, Jr., Chancellor

Subject: CONTRACT
Authorization to Contract with Pinnacle Systems
(Resolution No. 010426-B18)

BACKGROUND INFORMATION:
The Board of Trustees approved Resolution No. 980430-B2 authorizing a contract with IKON Management Services through December 31, 1999 to provide pay-for-use photocopiers and laser printers for the students and staff of City College of San Francisco. By Board Resolution No. 000127-B3, The Board of Trustees authorized an extension of that contract through June 30, 2000.

District administration began discussing a further extension with IKON and in mid-June was notified that IKON was no longer interested in providing pay-for-use copier service and was shutting down its operations in this area. No District public funds are expended on copier services and the District is not required to develop a formal RFP process for revenue generating activities. However, due diligence was exercised and three known vendors were contacted by administration and asked to present proposals to the District. Representatives from Minolta, Xerox and Pinnacle Systems met with District administration and staff.

Minolta decided not to submit a proposal. Xerox submitted a proposal that would have cost the District approximately $250,000 a year. The Xerox proposal included all new digital equipment. Pinnacle systems recommended that the District buy the existing equipment from IKON and allow Pinnacle systems to maintain, and service the existing equipment for approximately one year so that we can establish actual copier usage and develop an RFP and award a new contract starting July 1, 2001.

The working relationship with Pinnacle systems has been a vast improvement over the relationship with IKON. There are currently 22 public use copiers, 2 public use microforms, 1 public use fax and 1 public use printer available to students. Pinnacle is proposing to completely replace 8 of the higher volume copiers with brand new machines and to refurbish and move the remaining units to the lower volume locations. In addition, Pinnacle will upgrade the debit card system and provide network “pay for” printing in Batmale Hall Lab,
the Learning Assistance Lab and Room 315 and 205 in the Rosenberg Library. Copy prices to the students will remain the same and commission will be based on 12% of the revenue collected. This proposal is based on a three year contract with the possibility of two single year extensions upon mutual agreement.

RECOMMENDATION:

RESOLVED: That authorization be hereby given to extend the contract with Pinnacle Systems to provide pay-for-use copier service to the District beginning July 1, 2001 through June 30, 2004, with the possibility of two single year extensions upon mutual agreement, and

FURTHER BE IT RESOLVED: That the Chancellor, Vice Chancellor of Finance and Administration and/or their designee are hereby authorized to execute any and all documents on behalf of the District to effectuate this resolution.

Stephen J. Herman, Originator