DATE: March 30, 2000

TO: Board of Trustees

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

SUBJECT: GENERAL FUND
Approval of Equipment Leasing
(Resolution No: 000330-B3)

BACKGROUND INFORMATION:

City College of San Francisco is currently using five Hewlett Packard 9000 servers to provide administrative information systems support, instructional support and library support. Three of the servers are over six years old. One of the servers is on a 3-year lease, which expires in June 2000. The Information Technology Services Department (ITS), has explored the costs of leasing four new Hewlett Packard, N-class servers to replace four of the current servers, excluding the Library server, while keeping the operational costs neutral. On December 16, 1999, by Resolution No: 991216-B5, the Board authorized the leasing of the first server.

This resolution authorizes a lease from Hewlett Packard Company of for the remaining three servers, need to be replaced. These include the current HP 9000 T-600 server, Gold, which is used for SCT Banner production, the Hills server, which provides computer access to approximately 6,000 students who need the resources as part of their instructional programs, and the Fog server, which provides computer resources to faculty and staff for email and Internet access. In addition, the staff has been able to negotiate the inclusion of one additional smaller server in the lease package, while keeping the operational costs (lease costs plus maintenance) neutral. This server supports a new function, Web access to Banner for students and CCSF faculty and staff. On September 30, 1999, by Resolution No. 990930-B1, the Board authorized a contract with SCT for the procurement of the SCT "Web For" suites software to provide Web access to Banner. The entire package of the three replacement servers and the additional new server will cost $201,421 annually and $805,684 over the four-year-lease period. The four-year lease package includes 4 N-class servers ($418,876), hardware/software maintenance and support ($248,390), installation ($26,040) and finance charges ($112,378).
The difference in costs for the 2000-2001 fiscal year between keeping the old equipment and leasing the new equipment, with one additional server is an increase of $2,456 annually.

<table>
<thead>
<tr>
<th>Cost of New Equipment</th>
<th>Annual</th>
<th>Total 4-year cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Server Authorized in Dec. 99</td>
<td>$148,338</td>
<td>$538,960</td>
</tr>
<tr>
<td>by Resolution No. 991216-B5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Servers in Current Resolution</td>
<td>$201,421</td>
<td>$805,684</td>
</tr>
<tr>
<td>Total</td>
<td>$336,161</td>
<td>$1,344,644</td>
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</tbody>
</table>

As the equipment will be procured through CMAS (California Multiple Award Schedule), further bidding is not required.

The funds to cover the cost of the leasing of the new HP servers are in the ITS Department operational budget.

**RECOMMENDATION:**

RESOLVED: That authorization be hereby given to contract with Hewlett Packard Company for the leasing of computer equipment, software and hardware and software maintenance for a period of 48 months beginning after March 30, 2000 for an annual cost not to exceed $201,421 and total cost not to exceed $805,684, 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.

Mamie How, Originator

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