

October 18, 2001

02-040

AUTHORIZE A ONE YEAR SOLE SOURCE CONTRACT
WITH HEWLETT PACKARD FOR HOST COMPUTER
MAINTENANCE

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FINANCIAL
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REPORT: The College Information Technology Services (ITS) Department has had an annual contract with Hewlett-Packard (HP) for host computer maintenance services at a cost of approximately \$150,000 per year. These services are considered to be single-source from HP as the College host computer has been an HP system. Per the College's Procurement Rule #200.050, "The College may enter into a public contract for equipment repair or overhaul without competitive bidding, (b) if the service and/or parts required are for sophisticated equipment for which specially trained personnel are required and such personnel are available from only one source." These maintenance services for the existing HP system are available only from the manufacturer itself.

On July 19, 2001, per M.O. #02-008, the Board awarded a contract to HP to provide new host computers to the College. The existing HP computers will be traded-in to HP as the new units arrive and these new units are to be brought on line through May of 2002. However, ITS still needs to enter into a new one-year contract with HP to continue to provide the required host computer maintenance services to the existing computers for at least one more year. Total maintenance costs will not exceed \$170,000 and should be considerably less as the old

computers are traded in throughout the year and dropped from maintenance coverage. New units will be covered by warranty at no charge for a year after installation. Since total maintenance costs will exceed \$50,000, Board approval is required.

RECOMMENDATION: That the Board of Directors authorize a one year sole source host computer maintenance services contract with HP to continue to provide the necessary maintenance services. The contract term will be from November 1, 2001 through October 31, 2002 for a total not-to-exceed cost of \$170,000 (from the General Fund).

Director Germond moved to approve Resolutions 02-034 through 02-043 by consent agenda and it passed unanimously.