TO: Board of Trustees  
FROM: Douglas Treadway  
DATE: December 6, 2006  
SUBJECT: Approval of Lease/Purchase Agreement for Acquisition of 200 Gateway Personal Computers

Public Contract Code 20652 states: Notwithstanding any other provisions of Sections 81640 to 81654, inclusive, of the Education Code, or of Sections 20651 to 20659, inclusive, of this code, the governing board of any community college district without advertising for bids, and when that board has determined it to be in the best interests of the district, may authorize by contract, lease, requisition, or purchase order, any public corporation or agency, including any county, city, town, or district, to lease data-processing equipment, purchase materials, supplies, equipment, automotive vehicles, tractors, and other personal property for the district in the manner in which the public corporation or agency is authorized by law to make the leases or purchases.

Ohlone College utilizes approximately 240 SunRay Model 150 thin client desktop systems in various lab environments where general use computing capabilities are provided to its students. The SunRay system is functionally unstable. The loss of 240 student computers would severely impact the ability of the college to adequately supply computing environments for their students.

Options for resolving this current need include repairing failures within the existing Sunray architecture, replacing the Sunrays with an alternative thin client technology, or replacing the Sunrays with traditional PC technology. The AVP-IT has worked with faculty and staff to analyze the current situation and proposed options. This group has unanimously recommended that the SunRay architecture be replaced with traditional PC technology. Furthermore and more specifically the group recommends that SunRay architecture be replaced with 200 Gateway Personal Computers.

The District proposes to acquire these 200 personal computers via a 3-year lease/purchase agreement from Gateway Computer, Inc., under the Western States Contracting Alliance (WSCA).

The total cost of this acquisition is $207,011.71. The 3-year annual lease payment will be $69,003.90. The WSCA agreement is valid until August 31, 2007 and permits the District to purchase additional computers as required.

RECOMMENDATION:

The President/Superintendent recommends that the Board of Trustees 1) approves the 3-year lease/purchase of 200 Personal Computers from Gateway Computer, Inc., for $207,011.71 (This acquisition will be funded from the Fund 10 General Budget) and 2) to authorize staff to utilize this agreement for additional computers as determined at the agreed upon contract pricing.

Attachments:  
Chancellor Office Competitive Bid Letter 1 page
April 24, 2001

Larry Toy, Ph.D.
President/CEO
Foundation for California Community Colleges
1102 Q Street
Sacramento, CA 95814

Re: U.S. Communities

Dear Dr. Toy:

We have reviewed and concur with the legal opinion prepared by your counsel which concludes that a community college district may purchase from contracts competitively bid by a public agency pursuant to Public Contract Code section 20652. This would be the case if the public agency were affiliated with U.S. Communities so long as the contract is with the public agency itself. Moreover, this same principle can apply to other contracts developed by public agencies not involving U.S. Communities.

Sincerely,

Paul Sickert
Assistant General Counsel

PS: sj
cc: Ralph Black, General Counsel
    Dave Stuart, Director of Operations

Experimental Classroom Equipment