LOS ANGELES COUNTY ISD INTERNAL SERVICES

COUNTY OF LOS ANGELES
Internal Services Department
1100 North Eastern Avenue
Los Angeles, California 90063

Tom Tindall
Director

To enrich lives through effective and caring service.

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December 16, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

REQUEST FOR APPROVAL
TO PURCHASE COMPUTER EQUIPMENT
(ALL DISTRICTS - 3 VOTES)

CIO RECOMMENDATION:
(X) APPROVE ( ) APPROVE WITH MODIFICATION ( ) DISAPPROVE

SUBJECT

Request approval to purchase computer related equipment with a unit cost greater than $250,000 to meet the needs of County departments.

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Internal Services Department (ISD) to purchase computer related equipment for a total expenditure of $7,315,335 to upgrade data storage capacity for new applications and growth in existing applications.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On an ongoing basis, ISD acquires data processing equipment to meet the computer application and data storage needs of County departments. Per County Policy, Board approval is required when individual pieces of this equipment exceed $250,000.

This request is for approval to purchase computer disk storage. The financed costs are estimated to total $7,315,335.

- Existing computer disk storage will be expanded ($3,375,292) to provide capacity for new projects and the growth of existing applications.
- New disk storage ($3,940,043) will be purchased for disaster recovery.

Implementation of Strategic Plan Goals

The purchase of this computer equipment is necessary to meet the information technology requirements of the departments served by ISD and supports the County strategic goal for Organizational Effectiveness.

FISCAL IMPACT/FINANCING

All costs are offset by billings to County departments. As indicated in the table below, all of the equipment will be financed through the Los Angeles County Capital Asset Leasing Corporation (LAC-CAL), and the costs shown include the estimated finance charges.

Equipment	Unit Cost	Total Costs	Fiscal Year 08-09 Costs	Future Fiscal Year Costs	Term
EMC DMX3 Disk Array	$ 722,782				
EMC DMX4 Disk Array	$ 2,652,510				
Expanded Disk Storage		**$ 3,375,292**	**$ 337,529**	**$ 3,037,763**	**5 years**
EMC DMX4 Disk Array	$ 3,940,043				
New Disk Storage		**$ 3,940,043**	**$ 394,004**	**$ 3,546,039**	**5 years**
Total		**$ 7,315,335**	**$ 731,533**	**$ 6,583,802**	

The Fiscal Year 2008-09 LAC-CAL budget approved by your Board includes the necessary equipment financing authorization. Sufficient appropriation is available in the Department's budget to fund the projected Fiscal Year 2008-09 lease payments. The Department will request sufficient appropriation in future years as necessary to fund the long-term financed equipment.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This request complies with the County Equipment Policy that your Board approved on October 16, 2001. This policy requires that departments obtain Board approval to purchase or finance equipment with a unit cost of $250,000 or greater.

CONTRACTING PROCESS

These equipment items are a commodity purchase under the statutory authority of the County Purchasing Agent. The purchase will be competitively bid by the Purchasing Agent in accordance with the standard County Purchasing policies and procedures.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Your approval will ensure that ISD can acquire the resources necessary to operate County computer systems managed by the Internal Services Department.

CONCLUSION

The Executive Office, Board of Supervisors, is requested to return one stamped copy of the approved Board letter to the Director, ISD.

Respectfully submitted,

Tom Tindall

TOM TINDALL
Director

Reviewed by:

Richard Sanchez

RICHARD SANCHEZ
Acting Chief Information Officer

TT:DC:AB:TJT:sg

Attachment (1 – CIO Analysis)

c: Chief Executive Office
County Counsel

CIO ANALYSIS

REQUEST TO PURCHASE COMPUTER SERVERS AND EQUIPMENT

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION ☐ DISAPPROVE

Contract Type:

☐ New Contract ☐ Contract Amendment ☐ Contract Extension
☐ Sole Source Contract ☒ Hardware Acquisition ☐ Other

New/Revised Contract Term: Base Term: N/A Yrs # of Option Yrs: 0

Contract Components:

☐ Software ☒ Hardware ☐ Telecommunications
☐ Professional Services

Project Executive Sponsor: Dave Chittenden, General Manager, ISD/ITS

Budget Information :

Y-T-D Contract Expenditures	$ 0
Requested Contract Amount	$ 7,315,335
Aggregate Contract Amount	$ 7,315,335

Project Background:

Yes	No	Question
☐	☒	Is this project legislatively mandated?
☐	☒	Is this project subvented? If yes, what percentage is offset?
☐	☒	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved.

Strategic Alignment:

Yes	No	Question
☒	☐	Is this project in alignment with the County of Los Angeles Strategic Plan?
☒	☐	Is this project consistent with the currently approved Department Business Automation Plan?
☒	☐	Does the project's technology solution comply with County of Los Angeles IT Directions Document?
☒	☐	Does the project technology solution comply with preferred County of Los Angeles IT Standards?
☐	☒	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

Project/Contract Description:

The Internal Services Department (ISD) is requesting Board authorization to purchase additional computer disk storage to upgrade computing capacity for new applications and growth in existing applications hosted by ISD.

Background:

If approved, ISD will acquire computer disk storage. This includes:

- Upgrading the existing disk space for three EMC enterprise class disk storage arrays at ISD's Downey Data Center; and
- Adding an additional EMC enterprise class disk storage array, for a total of two, at ISD's Local Recovery Center in Santa Ana.

Project Justification/Benefits:

This purchase of additional computer disk storage (described above) is to meet the operational requirements for new applications and growth in existing applications hosted by ISD.

Project Metrics:

Successful completion will be achieved with the implementation and operation of the new storage.

Impact On Service Delivery Or Department Operations, If Proposal Is Not Approved:

Failure to acquire the equipment will impact ISD's ability to support the Department's critical business applications.

Alternatives Considered:

In order to ensure compatibility with their existing environment, ISD will purchase EMC storage equipment. However, these products are available from numerous distributors and all purchases will be competitively bid.

Project Risks:

Minimum risks exist for the installation of this equipment because it is compatible with the existing technical infrastructure.

Risk Mitigation Measures:

Purchasing equipment compatible with existing systems reduces the risks involved.

Financial Analysis:

ISD plans to acquire this equipment through debt financing. The table below details the total expected expenditure.

Description	Estimated Cost*
Upgraded EMC Disk Storage	$ 3,375,292
One EMC Disk Storage Array	3,940,043
Total	$ 7,315,335

Explanatory Notes:
*Represents total cost of financing over a five-year term for storage.

There are no additional net County costs associated with this request. All costs will be offset by billings to County departments.

CIO Concerns:

None.

CIO Recommendations:

Recommend Board authorization of this proposed procurement.

CIO APPROVAL

Date Received: November 10, 2008

Prepared by: Gene Franklin Sr.

Date: 12-2-08

Approved: [signature]

Date: 12-2-08