County of Los Angeles
INTERNAL SERVICES DEPARTMENT
1100 North Eastern Avenue
Los Angeles, California 90063

TOM TINDALL
Director

Telephone: (323) 267-2101
FAX: (323) 264-7135

"To enrich lives through effective and caring service"

April 17, 2012

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
11 April 17, 2012
SACHI A. HAMAI
EXECUTIVE OFFICER

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

Dear Supervisors:

REQUEST FOR APPROVAL
TO ACQUIRE COMPUTER STORAGE EQUIPMENT
AND APPROVE APPROPRIATION ADJUSTMENT
(ALL DISTRICTS - 3 VOTES)

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

SUBJECT

Request approval to purchase computer storage equipment with a unit cost greater than $250,000 to meet the needs of County departments and request approval of the associated appropriation adjustment.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Internal Services Department (ISD) to acquire computer storage equipment for a total capital asset expenditure of $1,112,000 to support countywide automated applications.

2. Approve an appropriation adjustment to transfer $1,546,000 from Services and Supplies to Capital Assets Equipment to provide adequate appropriation for the recommended capital asset purchases.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On an ongoing basis, ISD acquires data processing equipment to meet the computer application needs of County departments. Pursuant to County policy, Board approval is required when individual components of this equipment exceed $250,000.

This request is for approval to acquire computer storage equipment for ISD at a total capital asset cost of $1,112,000 as follows:

- Upgrade one (1) large capacity EMC disk storage array to meet the requirements of virtual servers operated at the Downey Data Center. We are anticipating strong growth in the number of virtual servers, due to the recent deployment of a secure shared server infrastructure that provides a reduction in operating costs plus proven disaster recovery capability. The capital asset cost of this upgrade is $583,000.

- Acquire one (1) large capacity EMC disk storage array to meet the requirements for disaster recovery at the Local Recovery Center (LRC) in Santa Ana, California. This is the companion disk storage array to the purchase above, and will be used to provide disaster recovery support. The capital asset cost of this purchase is $529,000.

This is part of a planned financed purchase for FY 2012-13. We are moving a portion of the purchase to FY 2011-12 due to an increased demand for these computing services and a desire to reduce our use of financing when appropriate.

In addition to the $1,112,000 in computer storage purchases, the requested $1,546,000 budget adjustment for capital assets covers an additional $434,000 to acquire Cisco network and phone equipment for the deployment of the DPSS CSC 3 Call Center located in Northridge, California. No component of this purchase exceeds $250,000. The total cost of this purchase will be passed on to DPSS.

Implementation of Strategic Plan Goals

The acquisition 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 Operational Effectiveness.

FISCAL IMPACT/FINANCING

The approval of the recommended appropriation adjustment to transfer $1,546,000 from Services and Supplies to Capital Assets Equipment will provide adequate appropriation for the recommended capital asset purchases. All costs are offset by billings to County departments. There will be no additional cost impact to County departments. All equipment will be purchased outright, rather than financed, to avoid interest charges in future years. No additional net County cost is required for these acquisitions.

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. The Chief Information Officer recommends approval of this Contract (CIO Analysis attached).

CONTRACTING PROCESS

These equipment items are commodity acquisitions under the statutory authority of the County Purchasing Agent. The acquisitions 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 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
Chief Information Officer

TT:DC:TJT

Attachments(2)

Enclosures

c: Chief Executive Officer
Executive Officer, Board of Supervisors
County Counsel
Deputy Chief Executive Officer

PINK (1)

BA FORM 09/09

BOARD OF SUPERVISORS OFFICIAL COPY

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPT'S. NO. 300

DEPARTMENT OF INTERNAL SERVICES DEPARTMENT

April 17, 2012

AUDITOR-CONTROLLER:
THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2011-12

3 - VOTES

SOURCES	USES
INTERNAL SERVICES DEPARTMENT	INTERNAL SERVICES DEPARTMENT
A01-IS-2000-13100	A01-IS-6030-13100
SERVICES & SUPPLIES	CAPITAL ASSETS - EQUIPMENT
DECREASE APPROPRIATION $1,546,000	INCREASE APPROPRIATION $1,546,000

SOURCES TOTAL: $ 1,546,000

USES TOTAL: $ 1,546,000

JUSTIFICATION

Reflects an increase in Equipment appropriation, offset by a decrease in Services and Supplies, to purchase the capital asset items included in ISD's April 17, 2012 Board letter. ISD will be purchasing the equipment as Capital Assets in order to avoid the cost of financing the equipment in future fiscal years. The adjustment is necessary to provide adequate Capital Asset appropriation.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

AUTHORIZED SIGNATURE Dave Yamashita, Admin Deputy

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

11 APR 17 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR ---

☐ ACTION

☑ RECOMMENDATION

☑ APPROVED AS REQUESTED

☐ APPROVED AS REVISED

AUDITOR-CONTROLLER BY Karen Fukuma

B.A. NO. 141 April 2 2012

CHIEF EXECUTIVE OFFICER BY G Kinnijian

April 3 2012

SEND 6 COPIES TO THE AUDITOR-CONTROLLER

RICHARD SANCHEZ
CHIEF INFORMATION OFFICER

Office of the CIO

CIO Analysis

NUMBER:	DATE:
CA 12-05	3/27/2012

SUBJECT:

REQUEST FOR APPROVAL TO ACQUIRE COMPUTER STORAGE EQUIPMENT

RECOMMENDATION:

☒ Approve ☐ Approve with modification ☐ Disapprove

CONTRACT TYPE:

☒ New contract ☐ Sole Source
☐ Amendment to Contract #: Enter contract #. ☐ Other: Describe contract type.

CONTRACT COMPONENTS:

☐ Software ☒ Hardware
☐ Telecommunications ☐ Professional Services

SUMMARY:

Department executive sponsor: Tom Tindall, Director, ISD

Description: Request approval to purchase computer storage equipment for the Downey Data Center and the Local Recovery Center (LRC).

Contract amount: $1,112,000 Funding source: ISD Fiscal Year (FY) 2011-12 Budget

☐ Legislative or regulatory mandate ☐ Subvened/Grant funded: Enter %

Strategic and business analysis

PROJECT GOALS AND OBJECTIVES:

The project's goals and objectives are to provide necessary data storage capacity at the Downey Data Center and the LRC in Santa Ana.

BUSINESS DRIVERS:

When fully implemented, the additional storage capacity at the Downey Data Center will support the requirements for the County's server virtualization efforts. The additional storage capacity at the LRC will support the requirements for the County's disaster recovery efforts.

PROJECT ORGANIZATION:

Internal Services Department (ISD) Mid-Range Division will lead the effort to implement the additional storage. A dedicated project manager will be assigned.

	PERFORMANCE METRICS: Storage Area Network infrastructure tools and disk utilization monitoring tools will be used to monitor the performance of the new storage and validate the projected efficiencies.
	STRATEGIC AND BUSINESS ALIGNMENT: Both business drivers (server virtualization and disaster recovery) are strategic and well-aligned with the business. Server virtualization addresses one of the County's primary technology efficiency initiatives, and disaster recovery addresses one of the County's risk mitigation technology efforts. The CIO fully supports these efforts.
	PROJECT APPROACH: The project plan will be developed with the goal of getting the storage on-line and making it accessible within three months of approval of the acquisition. The storage in Downey will be dedicated to the shared virtual server infrastructure. New software tools will be utilized to store data on the most efficient type of storage based on how often the data is accessed. This automatic data storage method will be used to drive down overall costs.
	ALTERNATIVES ANALYZED: The acquisitions of the EMC storage arrays for the Downey Data Center and LRC are consistent with the County's technology standards for data storage.
Technical analysis	ANALYSIS OF PROPOSED IT SOLUTION: The upgrade of the large capacity EMC disk storage array at the Downey Data Center will meet the requirements of the hosted virtualization environment. ISD is anticipating strong growth in the number of virtual servers due to the recent deployment of the secured shared server infrastructure that was recently implemented as part of the effort to drive down computing costs and provide more efficient disaster recovery capabilities. Demand for virtual servers is coming from traditional ISD Windows and Linux server hosting services and new customer departments that are interested in operating their own virtual servers on the shared hardware infrastructure. The new large capacity EMC disk storage array for the LRC will meet the requirements for disaster recovery.

Financial analysis

BUDGET:

Contract costs

One-time costs:

Hardware.....	$ 1,112,000
Software.....	$ N/A
Services	$ N/A

Ongoing annual costs:

Hardware.....	$ N/A
Software.....	$ N/A
Services	$ N/A
Sub-total Contract Costs:	**$** 1,112,000

Other County costs:

One-time costs:

Hardware	$ N/A
Software.....	$ N/A
Services (ISD)	$ N/A
County staff (existing).....	$ N/A
County staff (net new).....	$ N/A
Sub-total one-time County costs:	**$** N/A

Ongoing annual costs:

Hardware.....	$ N/A
Software.....	$ N/A
Services (ISD).....	$ N/A
Services (Contractor)	$ N/A
County staff (existing).....	$ N/A
County staff (net new).....	$ N/A
Sub-total ongoing County costs:	**$** N/A

Total one-time costs:	**$** 1,112,000
Total ongoing annual costs:	**$** N/A

This acquisition was part of a planned financed purchase for FY 2012-13, but ISD is moving a portion of this purchase to FY 2011-12 due to strong demand for these computing services and a desire to reduce financing costs. All equipment will be purchased outright, rather than financed. ISD is purchasing five years of hardware maintenance for this equipment, but that is being funded outside of this Board Letter. The capital asset cost for the upgrade of the large capacity EMC disk storage array for the Downey Data Center is $583,000, while the capital asset cost of the large capacity EMC storage array for the LRC is $529,000. All costs are offset by billing to County departments. No net County cost is required for these acquisitions.

Risk analysis	RISK MITIGATION: 1. Because both EMC disk storage arrays are consistent with the County's standards for data storage equipment, and ISD has the necessary experience in the deployment and management of these types of storage devices, risks related to this project are minimal. 2. The Chief Information Security Officer has reviewed the Contract and did not identify any security risks or issues.
CIO Approval	PREPARED BY: Henry Balta — 3/28/12 Name, Sr. Associate CIO — Date APPROVED: Richard Sanchez — 4-3-12 Richard Sanchez, County CIO — Date

Please contact the Office of the CIO (213.253.5600 or info@cio.lacounty.gov) for questions concerning this CIO Analysis. This document is also available online at http://ciointranet.lacounty.gov/