

COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director
ROBIN KAY, Ph.D.
Chief Deputy Director
RODERICK SHANER, M.D.
Medical Director



BOARD OF SUPERVISORS

GLORIA MOLINA
MARK RIDLEY-THOMAS
ZEV YAROSLAVSKY
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DEPARTMENT OF MENTAL HEALTH

<http://dmh.lacounty.gov>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601
Fax: (213) 386-1297

May 15, 2012

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

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

37 May 15, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**STORAGE AREA NETWORK
FIXED ASSET PURCHASE
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

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

SUBJECT

Request approval to purchase a Storage Area Network, fixed asset, essential for the Department of Mental Health to prevent data loss.

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize Internal Services Department (ISD), as the County's purchasing agent, to proceed with the acquisition of a Storage Area Network (SAN) for the Department of Mental Health (DMH) to replace the existing SAN for a projected one-time cost not to exceed \$465,000. In accordance with County policy, Board approval is required to purchase fixed assets that exceed the \$250,000 threshold established by your Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of this action will enable DMH to purchase a SAN to replace the existing obsolete hardware which is no longer covered by the warranty. DMH previously extended the warranty on the existing

SAN from the normal five years to seven years, and the vendor will not offer any more extensions.

A SAN is a collection of interconnected hard disk drives with an intelligent controller. It is connected to a telecommunications network, stores data generated by computer users on the network, makes the data available for retrieval on demand, and helps prevent data loss. The new SAN, like the device it is replacing, will be used to store the data of the DMH Data Warehouse. The DMH Data Warehouse is used for clinical, financial, administrative, and legal reporting. Examples of reports generated to meet various mandates include: Certified Public Expenditure (CPE), Mental Health Services Act (MHSA) and Full Service Partnership (FSP) clinical outcomes, Client and Service Information (CSI) System, and Katie A. Panel reports. The SAN will also be used to expand the server virtualization cost savings effort and will have a five-year warranty that includes yearly preventive maintenance. With this purchase, DMH will be able to complete consolidation of three SANs into two. The new SAN will be placed at the Martin Luther King interim shared County data center, and it can also eventually be moved and used within the ISD shared infrastructure.

Implementation of Strategic Plan Goals

The recommended action supports the County's Strategic Plan Goal 1, Operational Effectiveness.

FISCAL IMPACT/FINANCING

The total projected one-time cost for the purchase of the SAN equipment components and installation services will not exceed \$465,000 and will be funded with Sales Tax Realignment Revenue. Additional detail comprising the total equipment cost is shown in Attachment I. Sufficient appropriation for the purchase of the SAN is included in DMH's Fiscal Year 2011-12 Final Adopted Budget.

There is no net County cost impact associated with the recommended action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

The County's Chief Information Officer recommends approval of this request (CIO Analysis attached (Attachment II)). The Chief Executive Office has been advised of the recommended actions.

CONTRACTING PROCESS

This is a commodity purchase under the statutory authority of the County Purchasing Agent. The purchase will be requisitioned through and accomplished by the Purchasing Agent in accordance with the County's purchasing policies and procedures, established by ISD.

On November 9, 2010, DMH obtained your Board's approval for a similar purchase. This purchase was for the replacement of an obsolete SAN that stores production data created by DMH staff, including user generated files and e-mail messages. The SAN is also used for backup, recovery, and

e-discovery.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

If the current SAN is not replaced, it will fail at some point resulting in loss of critical data and DMH will not have the capacity to continue virtualizing servers. Modern health services delivery organizations are heavily data enabled. To the extent that we effectively manage and protect essential operational data, we protect DMH's ability to effectively serve our clients and the County.

Respectfully submitted,



MARVIN J. SOUTHARD, D.S.W.
Director of Mental Health

Reviewed By:


RICHARD SANCHEZ
Chief Information Officer

MJS:MM:RG:gt

Enclosures

- c: Chief Executive Officer
- County Counsel
- Chief Information Officer
- Executive Officer, Board of Supervisors
- Chairperson, Mental Health Commission
- Director, Internal Services Department

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
 STORAGE AREA NETWORK EQUIPMENT COMPONENT COST DETAIL

Product Description	Cost
Hardware (Including Tax)	\$160,000
Software	\$108,000
Hardware and Software Installation Services	\$62,000
Hardware and Software Maintenance Services	\$112,000
Hardware Warranty Upgrade	\$23,000
Grand Total	\$465,000



RICHARD SANCHEZ
CHIEF INFORMATION OFFICER

Office of the CIO
CIO Analysis

ATTACHMENT II

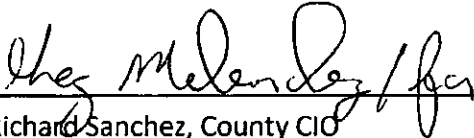
NUMBER: CA 12-09	DATE: 4/30/2012
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SUBJECT: STORAGE AREA NETWORK FIXED ASSET PURCHASE	
RECOMMENDATION: <input checked="" type="checkbox"/> Approve <input type="checkbox"/> Approve with modification <input type="checkbox"/> Disapprove	
CONTRACT TYPE: <input checked="" type="checkbox"/> New contract <input type="checkbox"/> Sole Source <input type="checkbox"/> Amendment to Contract #: Enter contract #. <input type="checkbox"/> Other: Describe contract type.	
CONTRACT COMPONENTS: <input checked="" type="checkbox"/> Software <input checked="" type="checkbox"/> Hardware <input type="checkbox"/> Telecommunications <input checked="" type="checkbox"/> Professional Services	
SUMMARY: Department executive sponsor: Marvin J. Southard, D.S.W., Director, DMH Description: Click here to enter text. Contract amount: \$465,000 Funding source: Sales Tax Realignment Revenue <input type="checkbox"/> Legislative or regulatory mandate <input checked="" type="checkbox"/> Subvened/Grant funded: 100%	

Strategic and business analysis	PROJECT GOALS AND OBJECTIVES: The project's goals and objectives are to replace an obsolete, seven-year-old storage area network (SAN) that is no longer supported by the vendor.
	BUSINESS DRIVERS: When fully implemented, the new SAN will support DMH's Data Warehouse for clinical, financial, administrative, and legal reporting. The new SAN will also be used to support DMH's server virtualization effort, which is currently at approximately 70%.
	PROJECT ORGANIZATION: DMH's Technology Services Division will lead the effort to implement the new SAN. Also, vendor professional services will be utilized to assist in the implementation.

	<p>PERFORMANCE METRICS:</p> <p>SAN infrastructure and disk utilization monitoring tools will be used to monitor the performance of the new storage. Early in the project, DMH will develop an implementation plan for the installation of the new hardware and a data migration plan to move the data from the old SAN to the new SAN. Both plans will identify key milestones to be used as metrics.</p> <hr/> <p>STRATEGIC AND BUSINESS ALIGNMENT:</p> <p>Both business drivers (server virtualization and data warehouse reporting) are strategic and well-aligned with the business. Server virtualization addresses one of the County's primary technology efficiency initiatives, and data warehouse reporting addresses various mandates.</p> <hr/> <p>PROJECT APPROACH:</p> <p>The implementation plan and data migration plan will be developed with the goal of bringing the new storage on-line at the MLK data center. The implementation of this SAN will eventually allow DMH to consolidate from three SANs to two.</p> <hr/> <p>ALTERNATIVES ANALYZED:</p> <p>DMH evaluated two vendor solutions: 1) EMC VNX SAN solution; and 2) Dell's Compellent SAN solution. Although both solutions were technically sound, DMH selected EMC solution because it provides better interoperability with their existing data storage environment and from a maintenance and support perspective aligns with the technical skillsets in the Department.</p>
Technical analysis	<p>ANALYSIS OF PROPOSED IT SOLUTION:</p> <p>The replacement of the current obsolete SAN will meet the Department's requirements in the areas of server virtualization and data warehouse reporting. The warranty on the existing SAN has already been extended from five to seven years, but the vendor will not offer any more extensions. DMH engaged in discussions with the CIO and ISD regarding the possibility of utilizing ISD's shared storage infrastructure. Because ISD's shared storage infrastructure is still in a proof-of-concept stage, it was decided that, from a timing standpoint, DMH should move forward with this acquisition. However, as part of the larger plan to utilize ISD's shared infrastructure, consideration will be given to migrating this SAN in the future into ISD's shared infrastructure.</p>

<p>Financial analysis</p>	<p>BUDGET:</p> <p>Contract costs</p> <p>One-time costs:</p> <table border="0"> <tr> <td>Hardware</td> <td>\$ 160,000</td> </tr> <tr> <td>Software.....</td> <td>\$ 108,000</td> </tr> <tr> <td>Services</td> <td>\$ 62,000</td> </tr> </table> <p>Ongoing annual costs:</p> <table border="0"> <tr> <td>Hardware</td> <td>\$ 135,000, includes five-year warranty</td> </tr> <tr> <td>Software.....</td> <td>\$ N/A</td> </tr> <tr> <td>Services</td> <td>\$ N/A</td> </tr> </table> <p>Sub-total Contract Costs: \$ 465,000</p> <p>Other County costs:</p> <p>One-time costs:</p> <table border="0"> <tr> <td>Hardware</td> <td>\$ N/A</td> </tr> <tr> <td>Software.....</td> <td>\$ N/A</td> </tr> <tr> <td>Services (ISD)</td> <td>\$ N/A</td> </tr> <tr> <td>County staff (existing)</td> <td>\$ N/A</td> </tr> <tr> <td>County staff (net new).....</td> <td>\$ N/A</td> </tr> </table> <p>Sub-total one-time County costs: \$ N/A</p> <p>Ongoing annual costs:</p> <table border="0"> <tr> <td>Hardware</td> <td>\$ N/A</td> </tr> <tr> <td>Software.....</td> <td>\$ N/A</td> </tr> <tr> <td>Services (ISD).....</td> <td>\$ N/A</td> </tr> <tr> <td>Services (Contractor)</td> <td>\$ N/A</td> </tr> <tr> <td>County staff (existing)</td> <td>\$ N/A</td> </tr> <tr> <td>County staff (net new).....</td> <td>\$ N/A</td> </tr> </table> <p>Sub-total ongoing County costs: \$ N/A</p> <p>Total one-time costs: \$ 330,000</p> <p>Total ongoing annual costs: \$ 135,000, includes five-year warranty</p> <p>This SAN will be competitively bid by ISD. This expense is included in DMH's FY 2011-12 Final Adopted Budget.</p>	Hardware	\$ 160,000	Software.....	\$ 108,000	Services	\$ 62,000	Hardware	\$ 135,000, includes five-year warranty	Software.....	\$ N/A	Services	\$ N/A	Hardware	\$ N/A	Software.....	\$ N/A	Services (ISD)	\$ N/A	County staff (existing)	\$ N/A	County staff (net new).....	\$ N/A	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
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<p>Risk analysis</p>	<p>RISK MITIGATION:</p> <p>DMH has experience in the deployment and management of these types of storage devices, so risks related to this project are minimal. Also, DMH will use vendor professional services as part of the implementation to further minimize the risks.</p> <p>The only risk currently identified is the chance that the installation of the new SAN may not coincide with the move to the new data center at MLK. In that case, the new SAN would be installed in the existing DMH data center and then be relocated at the time of the move.</p> <p>The Chief Information Security Officer has reviewed the proposed purchase and did not identify any security risks or issues.</p>																																		

CIO Approval	PREPARED BY:
	<u>Henry Balta</u> <u>4/30/12</u> Name, Sr. Associate CIO Date
	APPROVED:
	<u></u> <u>4/30/2012</u> 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/>