



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE  
OPERATIONS CLUSTER**

**DATE:** December 6, 2012  
**TIME:** **1:00 p.m.**  
**LOCATION:** Kenneth Hahn Hall of Administration, Room 830

**AGENDA**

Members of the Public may address the Operations Cluster on any agenda item by submitting a written request prior to the meeting.  
Three (3) minutes are allowed for each item.

1. Call to order – Ellen Sandt
  - A) **Consumer Affairs Risk Management Presentation**  
Consumer Affairs - Brian J. Stiger or designee
  - B) **Board Memo: NOTIFICATION: STATE OF CALIFORNIA SENATE BILL 1186**  
TTC – Mark Saladino or designee
  - C) **Upcoming IT Items**  
CIO – Richard Sanchez or designee
  - D) **eCAPS/eHR Update**  
Auditor-Controller – Wendy Watanabe or designee
2. Public Comment
3. Adjournment

**COUNTY OF LOS ANGELES  
DEPARTMENT OF CONSUMER AFFAIRS  
RISK MANAGEMENT OVERVIEW  
DECEMBER 6, 2012**

**Purpose**

As directed by the Board of Supervisors on February 21, 2012, this Department of Consumer Affairs (DCA) Risk Management Overview was developed to describe risk issues, trends, and mitigation measures undertaken to address these risks.

This report will review three primary risk issues and the efforts implemented by DCA to mitigate them.

**Department Overview**

The Department of Consumer Affairs (DCA) provides services to the consumers and businesses of Los Angeles County through advocacy, empowerment and education, offering consumer counseling and information services to the public. It accepts, investigates and mediates complaints of unethical or deceptive business practices between consumers and merchants; and conducts special investigations, which are presented to appropriate prosecuting agencies for civil and criminal prosecution. It is the central reporting agency for real estate fraud complaints and works closely with private industry groups, government and law enforcement agencies to detect and prevent real estate fraud.

To increase efficiency and access to the justice system, the department educates litigants about Small Claims Court processes, which relieves court overcrowding. It also promotes an alternative dispute resolution process that diverts cases from the courts by providing mediation and conciliation to potential litigants. The department also administers Self-Help Legal Access Centers at the Van Nuys, Inglewood, and Pomona Courthouses.

DCA has a staff of 51 employees, which includes 46 permanent full-time and 5 temporary part-time. The department's Executive headquarters is located at 500 West Temple Street (B-96), Los Angeles. The department has part-time field offices located in Lancaster, East Los Angeles, El Monte, Lomita, Valencia, Van Nuys, Glendale, Inglewood and Torrance.

DCA's workers' compensation claims have been as result of falls, lifting, ergonomics, and vehicle accidents. The department's claims involving general liability were as a result of vehicle accidents, professional practice, and employment practices.

Risk Management Coordinator Name:	Wendy M. Myring
Safety Officer/Coordinator Name:	Wendy M. Myring
Return-to-Work Coordinator Name:	Timothy Bissell/Wendy M. Myring

**COUNTY OF LOS ANGELES  
DEPARTMENT OF CONSUMER AFFAIRS  
RISK MANAGEMENT OVERVIEW  
DECEMBER 6, 2012**

**Risk Issues, Trends, Mitigation Measures**

**RISK ISSUE #1**

**Issue:** Illness And Injury Due To Ergonomics

**Trends:** DCA personnel utilize personal computers on a regular basis. Years ago the department had several claims concerning ergonomic injuries such as carpal tunnel syndrome. Within the past four years the department has not had an ergonomic injury due to preventive measures that have been put into practice.

**Mitigation Measures:**

- Received *Ergonomic Evaluation Training* from the CEO's Office of Risk Management in 2008. At that time, we implemented an ergonomics program and trained staff and supervisors on ergonomics awareness. Retraining of all staff and managers is scheduled for February, 2013.
- Our Risk Management Coordinator makes a quarterly inspection of workstations for compliance with correct ergonomic practices.
- Proactive ergonomic evaluations were performed for department personnel. Ergonomic evaluations are also performed on a request and complaint basis.
- DCA personnel have been provided with ergonomic equipment such as adjustable task chair and articulating keyboard tray.
- Hardcopy material on ergonomics has been distributed to DCA personnel.
- Next month, a link will be added to our DCA intranet site that will allow staff to view an ergonomic presentation developed by the Joint Labor Management Committee.

**Results:**

- It is expected that the department will receive very few or no claims due Ergonomic issues.

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<b>RISK ISSUE #2</b>
<b>Issue:</b> Reduce the number of slip, trip and fall accidents
<b>Trends:</b> Slips, trips and falls are a significant exposure for DCA personnel. Floor obstructions and parking lot conditions (oil, illumination, etc.) and water or other liquids on walking surfaces are some of the causes for slip, trip and fall injuries.
<b>Mitigation Measures:</b> <ul style="list-style-type: none"><li>• At quarterly all staff meetings, the department reminds staff to be aware of floor surface conditions in the hallways and garage area to avoid slips and falls.</li><li>• We continue to conduct quarterly worksite inspections for all workspaces occupied by DCA staff.</li><li>• In FY 07-08 DCA developed its own Injury, Illness, and Prevention Program (IIPP).</li><li>• DCA will continue to work with CEO Risk Management to receive training on the IIPP as needed.</li></ul>
<b>Results:</b> Continued awareness and reduction in slip, trip and fall accidents.

<b>RISK ISSUE #3</b>
<b>Issue:</b> Vehicle Accidents
<b>Trends:</b> The majority of DCA personnel utilize privately owned vehicles for work-related purposes which subjects the department to potential workers' compensation and vehicle liability if employees are involved in accidents while operating the vehicle for work-related purposes. Although DCA has not had an employee involved accident of any kind in more than 4 years, we have explored mitigation measures should this become an issue in the future.
<b>Mitigation Measures:</b> <ul style="list-style-type: none"><li>• The department will provide defensive driver training to DCA personnel who are involved in a preventable at fault work-related vehicle collision. Training can include classroom instruction, Internet courses, etc.</li><li>• Establish a method for the ongoing review of motor vehicle records for employees allowed to drive during County business.</li></ul>
<b>Results:</b> We expect a continued decrease or zero expenditures for automobile claims.

**COUNTY OF LOS ANGELES  
DEPARTMENT OF CONSUMER AFFAIRS  
RISK MANAGEMENT OVERVIEW  
DECEMBER 6, 2012**

**Metrics**

**1. Liability Claim Performance**

Measure	Actual FY 2009-10	Actual FY 2010-11	Actual FY 2011-12
Total number of all claims. <sup>1</sup>	0	0	1
Number of General Liability claims.	0	0	1
Total paid <sup>2</sup> for General Liability claims.	\$0	\$0	\$0
Number of Vehicle Liability claims.	0	0	0
Total paid <sup>2</sup> for Vehicle Liability claims.	\$0	\$0	\$0
Number of Medical Malpractice claims.	0	0	0
Total paid <sup>2</sup> for Medical Malpractice claims.	\$0	\$0	\$0

1. Number of claims is the total of all claims (including all suffixes) entered into the Risk Management Information System (RMIS) during the fiscal year.
2. Total paid is based on transaction dates within each fiscal year as listed in RMIS.

**2. Workers' Compensation Claim Performance**

Measure	Actual FY 2009-10	Actual FY 2010-11	Actual FY 2011-12
Number of new Workers' Compensation claims filed during the period.	1	1	0
Total Workers' Compensation expense paid during the period.	\$56,503	\$77,174	\$16,125
Total paid for Salary Continuation/Labor Code 4850 during the period.	\$0	\$6,398	\$0
Number of employees <sup>1</sup> as of June 30.	56	52	51
Workers' Compensation Claim Report Rate (number of claims reported per 100 employees) for the period.	1.79	1.92	0
Benchmark: Countywide Average Workers' Compensation Claim Report Rate (all departments).	10.8	11.7	11.2
Benchmark: Countywide Average Workers' Compensation Claim Report Rate (all departments, excluding Fire, Probation, Sheriff).	6.2	6.7	7.5
Benchmark: Countywide Average Workers' Compensation Claim Report Rate (Fire, Probation, Sheriff only).	23.2	25.0	22.8
Workers' Compensation Expense Rate (expenses paid per current employee). <sup>2</sup>	\$1,009	\$1,484	\$316
Benchmark: Countywide Average Workers' Compensation Expense Rate (all departments).	\$3,027	\$3,266	\$3,505
Benchmark: Countywide Average Workers' Compensation Expense Rate (all departments, excluding Fire, Probation, Sheriff).	\$2,020	\$2,179	\$2,258
Benchmark: Countywide Average Workers' Compensation Expense Rate (Fire, Probation, Sheriff only).	\$5,725	\$6,167	\$6,822

1. Number of employees is the sum of currently filled full-time and part-time positions.
2. Workers' Compensation Expense Rate is amount paid in a given year divided by the current employee count. The amount paid includes payment for claims of current and former employees, including retirees.

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**3. Return-to-Work Performance (industrial and non-industrial cases)**

Measure	Actual FY 2009-10	Actual FY 2010-11	Actual FY 2011-12
Number of active return-to-work cases as of June 30.	n/a	1	1
Number of cases closed in the prior year.	n/a	n/a	n/a
Number of employees on work hardening transitional assignment agreements as of June 30.	n/a	1	1
Number of employees on conditional assignment agreements as of June 30.	n/a	0	0

**4. Vehicle and Fleet Safety Performance**

Measure	Actual FY 2009-10	Actual FY 2010-11	Actual FY 2011-12
Number of Department-owned vehicles.	0	0	0
Total number of vehicle accidents involving Department-owned (or leased) vehicles.	0	0	0
Total cost paid for damage involving Department-owned (or leased) vehicles (not including third party claim/damage cost).	\$0	\$0	\$0
Number of miles driven by Department-owned (or leased) vehicles.	0	0	0
Number of vehicle accident involving Department-owned (or leased) vehicles per 100,000 miles driven.	0	0	0
Number of Department permittee drivers as of June 30.	43	41	40
Total number of vehicle accidents involving permittee drivers.	0	0	0
Total cost paid for damage involving vehicles driven by permittee drivers (not including third party claim/damage cost).	\$0	\$0	\$0
Number of permittee miles driven during period.	23,964	30,703	25,290
Number of vehicle accidents involving permittee drivers per 100,000 miles driven.	0	0	0



# COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR



KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 437  
LOS ANGELES, CALIFORNIA 90051-0102  
TELEPHONE: (213) 974-2101 FAX: (213) 626-1812

**MARK J. SALADINO**  
TREASURER AND TAX COLLECTOR

December 11, 2012

TO: Supervisor Mark Ridley-Thomas, Chairman  
Supervisor Gloria Molina  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

FROM: Mark J. Saladino  
Treasurer and Tax Collector

Wendy L. Watanabe  
Auditor-Controller

Gail Farber  
Director of Public Works

**SUBJECT: NOTIFICATION: STATE OF CALIFORNIA SENATE BILL 1186**

This is to notify you that with the passage of Senate Bill (SB) 1186 (Disability Access) on September 19, 2012, the County will be required to impose a surcharge of \$1.00 on new Business License applications and Business License renewals beginning January 1, 2013, and continuing through December 31, 2018. The funds generated from this surcharge are to be used to educate business owners about mandated disability access requirements.

County Counsel has reviewed SB 1186 and opined that the statute directly authorizes the County to collect the \$1.00 surcharge, without amending Title VII (Business License) of the County Code. As the administrator of the Business License program, the Treasurer and Tax Collector (TTC) will collect this surcharge and deposit collections into a trust account, established by the Auditor-Controller. The Department of Public Works – Building and Safety (DPW) will manage the trust account, oversee the program, and report to the State. Seventy percent of the collections are to be used to increase Certified Access Specialist Services, educate the public, and monitor compliance of Disability Access regulations in accordance with SB 1186 requirements; the remaining collections are to be remitted to the State.

The TTC currently contracts with five cities to administer their Business License Programs. Four of these cities maintain their own Public Works – Building and Safety

Divisions: Agoura Hills, Calabasas, Malibu, and Santa Clarita. Because these cities have jurisdiction over their own Certified Access Specialists, we will work with the Auditor-Controller to disburse collections directly to these cities, and these cities will be responsible for compliance with SB 1186.

This month, the TTC will send a notification letter to all 8,800 current Business License holders explaining this surcharge and providing information on the requirements of providing mandated disability access. Starting January 2, 2013, a statement will be added to both the Business License renewal billings and new licenses indicating that the balance due includes this surcharge, and an insert explaining how to obtain additional information about requirements for providing access in compliance with SB 1186 requirements.

As a result of this mailing, your office may experience increased inquiries. If you have any questions, please contact me or your staff may contact Kathy Gloster, Assistant Treasurer and Tax Collector, at (213) 974-2077. For questions regarding the implementation of the program, contact Roy Itani with Department of Public Works at (323) 820-6500.

MJS:KG:af  
Z:Secretaries/BOS/SB1186

c: William T Fujioka, Chief Executive Officer  
John F. Krattli, County Counsel  
Greg Ramirez, City Manager, City of Agoura Hills  
Tony Coroalles, City Manager, City of Calabasas  
Jim Thorsen, City Manager, City of Malibu  
Ken Pulskamp, City Manager, City of Santa Clarita

# Board IT Agenda Items

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
ISD	Purchase of Computer Equipment	<p>Authorization to purchase: 1) four (4) large capacity IBM pSeries midrange servers to expand ISD's consolidated UNIX hosting service at the Downey and Local Recovery (LRC) data centers; 2) upgrade two (2) EMC data backup appliances to meet the requirements for additional data backup storage capacity required for UNIX servers at the Downey and LRC data centers; and 3) two (2) large capacity disk storage arrays to meet the requirements for reduced storage costs and vendor supportability for the IBM mainframe environment at the Downey and LRC data centers.</p> <p><b>Approx. Target Date: December 11, 2013</b>  <b>Funding Source: LAC-CAL Financing</b>  <b>Existing Agreement: N/A</b></p>	\$3,180,000	Operations	5 years	12/11/2012
ISD (possibly joint letter with CIO)	Vendor Agreements for Print Optimization and Related Services	<p>Agreements with three (3) selected vendors to provide Print Optimization and Related Services (MPS)</p> <p><b>Approx. Board Date: January 15, 2013</b>  <b>Funding Source:</b>  <b>Existing Agreement: N/A</b></p>	N/A	Operations	5 years	
DPSS/CIO	Amendment No. 14 to Agreement 68587 with Unisys to Add Semi-annual Reporting	<p>Amendment to add semi-annual reporting functionality to the Los Angeles Eligibility Automation Determination, Evaluation and Reporting (LEADER) System per Assembly Bill 6. Since this is a joint Board letter, a CIO Analysis is not required.</p> <p><b>Approx. Board Date: January 8, 2013</b>  <b>Funding Source: State, Food and Nutrition Service (FNS), and Centers for Medicare &amp; Medicaid Services (CMS) Federal agencies</b>  <b>Existing Agreement: 68587</b></p>	\$3,675,000	Children & Families Well-being	1 year	

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
DPSS/CIO	Amendment No. 15 to Agreement 68587 with Unisys To Exercise Last Two Option Years	Amendment will exercise the last 2 option years of the second option term for the Los Angeles Eligibility Automation Determination, Evaluation and Reporting (LEADER) System to maintain support through May 13, 2015. Since this is a two department Board letter, a CIO Analysis will not be needed.  <b>Approx. Board Date: January 8, 2013</b> <b>Funding Source: State, Food and Nutrition Service (FNS), and Centers for Medicare &amp; Medicaid Services (CMS) Federal agencies</b> <b>Existing Agreement: 68587</b>	\$54,000,000	Children & Families Well-being	2 years	
FIRE	Authorization to Execute Work Order Under the County's IBM Master Services Agreement No. 75869 for Fire Facility Management System	Services and software licenses to implement Maximo Facilities Management System.  <b>Approx. Board Date:</b> <b>Funding Source: Fire FY 2012-13 Operating Budget</b> <b>Existing Agreement: 75869</b>	\$407,450	Public Safety	TBD	
CORONER	Authorization to Execute Work Order Under the County's EMC Master Services Agreement No. 77036 for Coroner Electronic Case Filing System	Work Order for professional services to support the development of additional modules using EMC Documentum software for the Coroner's Electronic Case Filing System.  <b>Approx. Board Date: January 2013</b> <b>Funding Source: Coroner FY 2012-13 Operating Budget</b> <b>Existing Agreement: 77036</b>	\$674,438	Public Safety	TBD	

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
DPW	Agreement For Radio Frequency Identification Project (Note: not official BL title)	<p>Agreement to implement Motorola Radio Frequency Identification (RFID) solution at DPW to automate business processes. The scope of this project includes hardware, software, installation, and training, and two years of maintenance and support.</p> <p>Statement from DPW: "We are going to aim for the 12/18 Board hearing. Meeting this target is dependent on a quick turn around from Motorola's legal staff. Motorola wanted DPW to sign their software and services agreements. Since various Motorola terms and conditions conflicted with the County's, we sent a redlined version back to them for review. We are waiting to hear back from them. "</p> <p><b>Approx. Board Date: Mid-Jan. 2013</b>  <b>Funding Source: \$35,000 loan from County Quality and Productivity Commission (repayment within 3 years), balance from Public Works' Flood Control District General Fund and Public Works' Internal Service Fund</b>  <b>Existing Agreement: N/A</b></p>	\$125,000 (\$113,690 +10% contingency)	Community & Municipal Services	Implementation, with 2-year maintenance	
CIO/TTC	Agreement for County Online Payment Services	<p>The eCommerce Readiness Group is concluding negotiations with a vendor selected from an RFP to replace the current Agreement for Online Payment Services. Target filing date is early December 2012.</p> <p><b>Approx. Board Date:</b>  <b>Funding Sources: Convenience fees and department absorbed with CEO approval</b>  <b>Existing Agreement: N/A</b></p>	N/A	Operations	5 years, with two 1-year and 6 month-to-month option extensions	
CIO/CEO	Amendment No. 1 to Agreement 77488 with POG for MPS	<p>Amendment with Print Operations Group (POG) will provide deployment assistance for Managed Print Services (MPS).</p> <p><b>Approx. Target Date: TBD</b>  <b>Funding Source: ITF</b>  <b>Existing Agreement: 77488</b></p>	\$2,738,000	Operations	3 years	

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
DPW	Contract for Alamitos Barrier Project and Dominguez Gap Barrier Project Telemetry System Maintenance Services	<p>Contract for Alamitos Barrier Project &amp; Dominguez Gap Barrier Project Telemetry System Maintenance Services.</p> <ul style="list-style-type: none"> <li>• Background: The Dominguez Gap and Alamitos Barriers are seawater barriers that are designed to inject freshwater into underground aquifers to create protective pressure ridges and prevent seawater from contaminating groundwater supplies. Portions of the Dominguez Gap and Alamitos Barriers are outfitted with Supervisory Control and Data Acquisition (SCADA) systems that enable operators to remotely monitor conditions and control equipment through COTS user interfaces. Other portions of the barrier systems are manually operated.</li> <li>• Scope: Inspection, maintenance, as-needed repairs, including software configuration and re-programming, and the integration of the manual segments into the automated systems. Note: the Dominguez Gap and Alamitos Barrier systems will remain separate.</li> </ul> <p><b>Approx. Board Date: Late January/early February 2013</b>  <b>Funding Source: Flood Fund (No County General funds)</b>  <b>Existing Agreement: N/A</b></p>	\$600,000 per year for up to 5 years	Community & Municipal Services	1 year, with four 1-year option extensions	
LASD	Sole Source Agreement with DataWorks Plus	<p>Sole Source Agreement for hardware/software updates and customization. Sole Source Advance Notification submitted on 3/14/12. Dataworks is used by the Sheriff for capturing mugshots and facial recognition.</p> <p><b>Approx. Board Date: TBD</b>  <b>Funding Source: Automated Fingerprint Identification System (AFIS) Fund</b>  <b>Existing Agreement: N/A</b></p>	Est. \$1,400,000	Public Safety	2 year, with two 1-year option extensions	
CIO	Use of ITF for Enterprise IT Security and Privacy Awareness Training Software	<p>Use of ITF to acquire and implement the enterprise IT Security and Privacy Awareness training content for use in the County's Learning Net.</p> <p><b>Approx. Board Date: June 2013</b>  <b>Funding Source: ITF</b>  <b>Existing Agreement: N/A</b></p>	\$240,000	Operations	N/A	



TOM TINDALL  
Director

County of Los Angeles  
**INTERNAL SERVICES DEPARTMENT**

1100 North Eastern Avenue  
Los Angeles, California 90063

*"To enrich lives through effective and caring service"*

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

December 11, 2012

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 EQUIPMENT  
(ALL DISTRICTS - 3 VOTES)**

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

**SUBJECT**

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

**IT IS RECOMMENDED THAT THE BOARD:**

Authorize the Internal Services Department (ISD) to purchase \$3.18 million of computer equipment, which is comprised of individual components with unit prices in excess of \$250,000 each.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On an ongoing basis, ISD acquires computer equipment to meet the technology 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 equipment for ISD at a total purchase cost of \$3,180,000, as follows:

- Acquire four (4) large capacity IBM pSeries midrange servers to expand ISD's consolidated UNIX hosting service at the Downey and Local Recovery (LRC) data centers. Existing customers to be consolidated onto these servers include: eCAPS, DPSS, DHR and ISD's shared production infrastructure. The purchase cost of these servers is \$1,740,000.
- Acquire two (2) large capacity disk storage arrays to meet the requirements for vendor supportability for the IBM mainframe environment at the Downey and LRC data centers. The purchase cost of these arrays is \$980,000.
- Upgrade two (2) EMC data backup appliances to meet the requirements for additional data backup storage capacity required for UNIX servers at the Downey and LRC data centers. The purchase cost of these appliances is \$460,000.

The equipment purchase will be financed through the Los Angeles County Capital Asset Leasing (LAC-CAL) equipment financing program. On August 21, 2012, the Board approved this equipment purchase in its list of authorized LAC-CAL financing acquisitions for Fiscal Year (FY) 2012-13. Sufficient funds have been budgeted to cover the maximum repayment obligation by the Chief Executive Office.

### **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**

ISD has adequate appropriation for the lease costs in its FY 2012-13 Adopted Budget, and will request appropriation for the lease costs in future fiscal years' budget requests. ISD recovers all these costs through usage-based charges to client departments. ISD requires no additional net County cost (NCC) for these acquisitions.

This equipment will be financed over five years under the LAC-CAL equipment program. Lease payment requirements are set according to the Chief Executive Office's estimated maximum interest rate for the LAC-CAL lease revenue bonds, which will be issued by the Treasurer and Tax Collector (TTC) at a future date. The TTC has indicated that actual LAC-CAL interest rates at present remain at levels that are much lower than the budgeted 6.25 percent. Any difference between the budgeted lease payments and the actual bond payment requirements will be credited to ISD's budget upon retirement of the bonds.

IBM pSeries Midrange Servers – The purchase cost is \$1,740,000; the FY 2012-13 (6 months) budgeted lease cost is \$210,000; the annual budgeted lease cost is \$420,000; and the total financed cost over five (5) years is \$2,100,000.

Mainframe Disk Storage Arrays – The purchase cost is \$980,000; the FY 2012-13 (6 months) budgeted lease cost is \$118,000; the annual budgeted lease cost is \$236,000; and the total financed cost over five (5) years is \$1,180,000.

EMC Data Backup Appliances – The purchase cost is \$460,000; the FY 2012-13 (6 months) budgeted lease cost is \$56,000; the annual budgeted lease cost is \$112,000; and the total financed cost over five (5) years is \$560,000.

### **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 (CIO) has reviewed and endorsed the proposed acquisition as outlined in the attached CIO analysis.

### **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.

The Honorable Board of Supervisors

12/11/2012

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Respectfully submitted,



TOM TINDALL

Director



RICHARD SANCHEZ

Chief Information Officer

TT:DC:TT:DH  
Attachment (1)

Enclosures

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



RICHARD SANCHEZ  
CHIEF INFORMATION OFFICER

Office of the CIO  
**CIO Analysis**

NUMBER: <b>CA 12-26</b>	DATE: 11/28/2012
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SUBJECT: <b>REQUEST FOR APPROVAL TO ACQUIRE COMPUTER EQUIPMENT</b>	
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 type="checkbox"/> Software <input checked="" type="checkbox"/> Hardware <input type="checkbox"/> Telecommunications <input type="checkbox"/> Professional Services	
SUMMARY: Department Executive Sponsor: Tom Tindall, Director, ISD Description: Request for approval to acquire four (4) large capacity IBM pSeries midrange servers, two (2) large capacity disk storage arrays for the IBM mainframe, and upgrade two (2) EMC data backup appliances. Contract Amount: \$3,180,000                      Funding Source: LAC-CAL/ISD Budget <input type="checkbox"/> Legislative or Regulatory Mandate <input type="checkbox"/> Subvended/Grant Funded: Enter %	

<b>Strategic and Business Analysis</b>	PROJECT GOALS AND OBJECTIVES: The project's goals and objectives are to: <ul style="list-style-type: none"> <li>• Expand ISD's UNIX hosting service at the Downey and Local Recovery Data Centers.</li> <li>• Meet the requirements for vendor supportability for the IBM mainframe environments at the Downey and Local Recovery Data Centers.</li> <li>• Meet the requirements for additional data backup storage capacity required for UNIX servers at the Downey and Local Recovery Data Centers.</li> </ul>
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**BUSINESS DRIVERS:**

When fully implemented, this additional computer hardware at the Downey and the Local Recovery Data Centers, will support departmental technology requirements for applications, such as:

- Your Benefits Now (DPSS)
- Oracle Application Express (DPSS)
- Oracle eBusiness Suite (DPSS)
- eCAPS Financial, Budget Prep and Reporting (A-C)

**PROJECT ORGANIZATION:**

A dedicated Project Manager from ISD/ITS will lead the effort to deploy and configure the new hardware. Depending on the hardware selected, there may be a requirement for some professional services, but that expense would be funded out of S&S.

**PERFORMANCE METRICS:**

The installation of the new hardware will be deemed production ready once all systems have been configured and tested for interoperability with the other components in the Downey and Local Recovery Data Centers. ISD will conduct follow-up performance testing to validate projections.

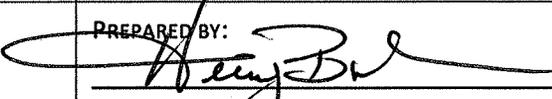
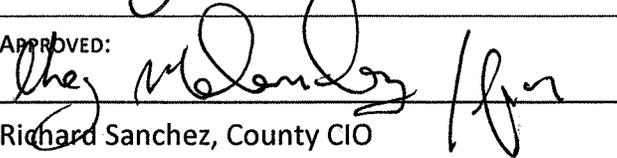
**STRATEGIC AND BUSINESS ALIGNMENT:**

All three project goals are strategic and well-aligned with the business. The acquisition of the four large IBM pSeries midrange servers will replace 12 smaller servers and provide a more robust hardware platform that will reduce system outages for mission critical applications. It will also reduce Oracle licensing needs, reduce power consumption, and enhance the practice of sharing IT resources and computing centralization. The acquisition of the two large disk storage arrays for the IBM mainframe environment will also reduce power consumption when compared to the current disk arrays.

**PROJECT APPROACH:**

The new hardware will be implemented according to a project plan, and may require a small amount of professional services. The project will be managed by ISD, and users will not be affected during the implementation of the new hardware.

	<p>ALTERNATIVES ANALYZED:</p> <p>All three hardware components of this project will be competitively bid. Also, for the acquisition of the Data Domain storage appliances, a SunGard cloud computing option was considered. A cost comparison of that option vs. the internal option was completed by ISD and the internal option was substantially more cost-effective.</p>
<p><b>Technical Analysis</b></p>	<p>ANALYSIS OF PROPOSED IT SOLUTION:</p> <p>The 12 IBM pSeries servers being replaced are past their 5-year lifespan and are incurring increasing hardware maintenance costs. The hardware refresh is needed to avoid extended downtime to mission critical applications. The new servers will consolidate 10 servers into three at the Downey Data Center, and two servers into one at the Local Recovery Centers. The two disk arrays for the IBM mainframe environment will replace the current 7-year-old EMC disk arrays that are approaching end of life and will no longer be covered under maintenance after June 30, 2013. Departments are expected to benefit from improved performance for their applications based on increased speed and performance from the new disk arrays. The upgrade to the two existing EMC Data Domain backup appliances will support the growing UNIX hosting backup requirements at the Downey and Local Recovery Data Centers. This will reduce the time required to backup and restore customer data.</p>

<p><b>Financial Analysis</b></p>	<p><b>BUDGET:</b></p> <p>Contract costs</p> <p>One-time costs:</p> <p>Hardware..... \$ 3,180,000</p> <p><b>Sub-total Contract Costs:</b> \$ N/A</p> <p>Other County costs:</p> <p>One-time costs:</p> <p><b>Sub-total one-time County costs:</b> \$ N/A</p> <p>Ongoing annual costs:</p> <p><b>Sub-total ongoing County costs:</b> \$ N/A</p> <p><b>Total one-time costs:</b> \$ 3,180,000</p> <p><b>Total ongoing annual costs:</b> \$ N/A</p> <p>The \$3,180,000 is the total purchase cost. The breakdown of the costs is \$1,740,000 for the four large capacity IBM pSeries servers; \$980,000 for the two large capacity storage arrays; and \$460,000 for the upgrade of the two EMC data backup appliances. The equipment purchase will be financed over five (5) years through the Los Angeles County Capital Asset Leasing (LAC-CAL) equipment financing program. ISD recovers all of these costs through usage-based charges to departments. No Net County Cost is required for these acquisitions.</p>
<p><b>Risk Analysis</b></p>	<p><b>RISK MITIGATION:</b></p> <ol style="list-style-type: none"> <li>1. The only risk identified at this time is the technical learning curve associated with new storage hardware, if a vendor other than the incumbent is selected. This risk will be mitigated through the use of professional services and the necessary training and knowledge transfer.</li> <li>2. The Chief Information Security Officer (CISO) has reviewed the acquisition, and did not identify any IT security or privacy related issues.</li> </ol>
<p><b>CIO Approval</b></p>	<p><b>PREPARED BY:</b></p> <p>          _____          Henry Balta, Sr. Associate CIO</p> <p><b>Nov. 28, 2012</b>          _____          Date</p> <hr/> <p><b>APPROVED:</b></p> <p>          _____          Richard Sanchez, County CIO</p> <p><b>12/3/2012</b>          _____          Date</p>

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