



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

WILLIAM T FUJIOKA
Chief Executive Officer

DATE: April 28, 2011
TIME: 12:30 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 – Gevork Simdjian
 - A) **SB 1732 Building Crafts Positions Update**
ISD – Tom Tindall or designee
 - B) **Board Letter – REQUEST FOR APPROVAL TO ACQUIRE COMPUTER EQUIPMENT**
ISD – Tom Tindall or designee
 - C) **Board Letter – KENNETH HAHN HALL OF ADMINISTRATION – ROOM B79 DATA CENTER RENOVATION AND RECONFIGURATION CAPITAL PROJECT**
Executive Office, BOS – Sachi Hamai or designee

2. Public Comment

NOTICE OF CLOSED SESSION

3. **CS-1 Initiation of litigation discussion regarding cable and telecommunication matter**
County Counsel – Manuel Valenzuela or designee
4. Adjournment



TOM TINDALL
Director

County of Los Angeles
INTERNAL SERVICES DEPARTMENT

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Los Angeles, California 90063

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"To enrich lives through effective and caring service"

May 10, 2011

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 ACQUIRE COMPUTER EQUIPMENT
(ALL DISTRICTS - 3 VOTES)**

CIO RECOMMENDATION:

(X) APPROVE () 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 YOUR BOARD:

Authorize the Internal Services Department (ISD) to acquire computer and electrical generator equipment for a total financed expenditure of \$3,759,482, to support County-wide automated applications.

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 and electrical generator equipment at a total acquisition cost, including financing, of \$3,759,482 as follows:

- Acquire one (1) large capacity EMC disk storage array to consolidate and replace two old technology storage arrays. The total capital asset cost of this array is \$1,527,190. This acquisition will result in a net 5-year savings of \$3,037,665 due to reduced annual maintenance expenses.

- Acquire one (1) IBM mainframe computer processor to replace old computer technology and increase needed capacity for a total capital asset cost, including financing, of \$1,690,765. This acquisition will result in a net 5-year savings of \$889,161 due to reduced hardware maintenance and software licensing costs.
- Acquire one (1) electrical generator as a backup to the Downey Data Center Uninterruptible Power Supply (UPS) generators for a total capital asset cost, including financing, of \$541,525. This portable generator will provide additional emergency backup power for critical data center computing and chiller systems.

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

Equipment acquisitions will be financed purchases as follows:

Equipment	Base Purchase Cost	FY 10-11 Lease Costs	Future FY Lease Costs	Term	Total Financed Costs
EMC Disk Storage	\$1,269,072	\$0	\$305,438	5 Yrs	\$1,527,190
IBM Mainframe Computer	\$1,405,000	\$0	\$338,153	5 Yrs	\$1,690,765
Electrical Generator	\$450,000	\$0	\$108,305	5 Yrs	\$541,525
Total	\$3,124,072	\$0	\$751,896		\$3,759,482

The above acquisitions will be financed through LAC-CAL over five years. Due to the timing of these acquisitions, ISD will not incur a lease payment in the FY 2010-11 Other Charges appropriation for the first year of equipment leasing costs. ISD has requested adequate funding in the FY 2011-12 Proposed Budget, and will request funding in future fiscal years' budget requests. ISD will also incur a total of \$1,192,491 in Services & Supplies (S&S) costs in the current fiscal year for prepaid maintenance for the disk storage and mainframe equipment. ISD recovers all costs through usage-based charges to client departments. No additional NCC 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.

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,

Reviewed by:

TOM TINDALL
Director

RICHARD SANCHEZ
Chief Information Officer

DC:AB:SD:sg
Attachments

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

**APPROVE ACQUISITION OF COMPUTER EQUIPMENT
FACT SHEET FREQUENTLY ASKED QUESTIONS (FAQ)
MIDRANGE DISK STORAGE**

What is the purpose?

Authorize ISD to acquire midrange disk storage equipment in order to replace old equipment with high maintenance costs (197TB raw of storage) with new equipment having a lower combined acquisition (LAC-CAL) and maintenance annual cost (192TB raw of storage) for a total net savings of \$3,037,665 over 5 years. See attached cost benefits analysis.

When must the acquisitions be done?

The disk storage acquisitions must be completed before the beginning of fiscal year 2011-12 to secure the savings defined above. Significant preparatory work (procurement, installation, configuration, allocation, and moving data from old units to the new ones) must be done before the storage can be provided to customer projects. Lease costs will not be incurred until early FY 2011-2012 when LAC-CAL billing will begin impacting ISD. There will be a supporting, budgeted S&S cost for FY 2010-2011 of \$833,497 for prepaid maintenance for 4 years.

Why are the computer acquisitions needed?

The driving force for this acquisition is to reduce costs wherever possible. The existing disk storage technology is incurring substantial software and equipment maintenance costs and the older disk drives are failing more frequently. The newer technology provides significantly lower software and maintenance costs.

What does the computer acquisition cost and where is it budgeted?

Midrange disk storage acquisition costs are to be \$1,269,072 with a total financed cost of \$1,527,191. The first year cost of \$305,438, is included in the ISD's FY 2011-12 Target Budget.

What is the impact upon customer departments?

Customers not expanding their disk storage requirements will see a moderate reduction in billing for storage as both the cost savings and the economies of scale cause the disk storage billing rates for FY 11-12 to be reduced. Additional storage may be acquired as necessary to satisfy customer, financially supported requirements. Customers expanding their disk storage requirements will meet their financial commitments for their increased storage allocation, and will also benefit from the reduced billing rates.

What is the "green" or energy impact of this acquisition?

Midrange disk storage replacement will provide for an estimated savings of 61.3 sq. feet of floor space and 47 kVA of power/hour or \$40,059.24 per year. Consolidating midrange disk storage will continue the ISD operational practice for energy and data center space usage efficiency.

**APPROVE ACQUISITION OF COMPUTER EQUIPMENT
FACT SHEET FREQUENTLY ASKED QUESTIONS (FAQ)
IBM MAINFRAME COMPUTER**

What is the purpose?

Authorize ISD to acquire IBM zSeries mainframe computer equipment to replace old mainframe computer technology to avoid \$889,161 over 5 years in loaned equipment and reduced equipment maintenance and software cost. See attached cost benefit analysis.

When must the acquisitions be done?

The IBM mainframe acquisition must be completed in fiscal year 2010-11 to secure the full amount of the cost avoidance defined above. Lease costs will not be incurred until early FY 2011-2012 when LAC-CAL billing will begin impacting ISD. There will be a supporting, budgeted S&S cost for FY 2010-2011 of \$338,153 for prepaid maintenance for 4 years.

Why are the computer acquisitions needed?

The driving force for this acquisition is to reduce or avoid costs wherever possible. The existing IBM mainframe technology is incurring substantial software and equipment maintenance costs. The newer technology provides significantly lower software and maintenance costs.

Regarding the z990 in the Downey Data Center:

- It is at Technological end-of-life, as well as Platform end-of-life
- The term for free loaned equipment on the z990 (2 IFLs, 32 GB of Memory and 2 OSA Cards) is not renewable past June 30, 2011. Costs will be incurred at the rate of \$10,000 monthly as of July 1, 2011.
- Capacity upgrades no longer available from the vendor

The IBM z990 mainframe processor at the Downey Data Center is used to support County Production batch and online requirements, as well as County WebSphere Portal development and staging environments. The z990 is no longer supported by marketing for upgrades. In addition, the z990 loaned equipment must either be returned by 06/30/11 without an upgrade (operationally impractical), or returned by 6/30/11 as the result of this upgrade (recommended). The financial results of the available options favor the recommended upgrade.

What does the computer acquisition cost and where is it budgeted?

IBM mainframe costs are estimated to be \$1,405,000, with a total financed cost of \$1,690,765. The first year cost of \$338,153 (LAC-CAL) is included in the ISD's FY 2011-2012 Target Budget. These costs will be recovered through the normal IBM mainframe billing rates.

What is the "green" or energy impact of this acquisition?

The new processor will use 25% less energy as compared to the current z990 processor while providing additional capacity for ISD Customers. The new zSeries is part of IBM's "Big Green Initiative". The zSeries is designed to be very energy efficient.

	Current -z990	zSeries	zSeries as % of z990
Power (KW)	5.3	4.1	77%
Cooling (kBTU/hr)	18.02	13.8	77%
Machine Area (ft ²)	26.78	15.22	57%
Service Area (ft ²)	58.69	37.62	64%

The zSeries model that we are acquiring uses no more than 3432 watts of input power and dissipates no more than 11.7 KBtu/hr of heat output.

**APPROVE ACQUISITION OF COMPUTER EQUIPMENT
FACT SHEET FREQUENTLY ASKED QUESTIONS (FAQ)
DOWNEY DATA CENTER BACKUP POWER GENERATOR**

What is the purpose?

Authorize ISD to acquire portable electrical generator equipment to protect critical online systems from outages due to failure of utility power and one or more antiquated backup generators installed at the Downey data center. This approach is much less expensive than replacing one or more of the five existing backup generators.

When must the acquisitions be done?

The backup generator acquisition must be completed fiscal year 2010-11 to meet the electrical demands of ISD's computer equipment growth and to provide adequate protection for critical online systems. This historical growth in mainframe, server and disk storage has placed increasing demands on the Downey Data Center's power and cooling infrastructure. Costs will not be realized until early FY 2011-2012 when LAC-CAL billing will begin impacting ISD.

Why is the generator acquisition needed?

The critical need for the backup Generator #6 arises from the fact that all five primary generators are close to 30-years old. This new generator will provide emergency electrical backup power to the computing systems connected to the primary generators, as well as provide generator power to critical chiller systems used to provide cooling to the data center. Without this acquisition, a failure of utility power and any one of the five antiquated generators will result in an electrical power shutdown of much of the Downey Data Center and likely loss of computing data. Power outage will shutdown data center cooling and all computer, network and security devices.

When the new data center is ready for occupancy, the portable generator will be used by ISD Facilities Operations to support the County's portable emergency backup requirements.

What does the computer acquisition cost and where is it budgeted?

The backup electrical generator costs are estimated to be \$450,000 with a total financed cost of \$541,526. The first year cost of \$108,305 is included in the ISD's FY 2011-12 Target Budget.

What is the "green" or energy impact of this acquisition?

Acquiring newer electrical generator equipment will continue the ISD operational practice for energy and data center efficiency.

**A Financial Comparison for:
Compare:**

Storage purchase Cost Benefit Analysis 2011 - 2016

Business as Usual (BAU) vs Proposed

Cumulative Cost Comparison

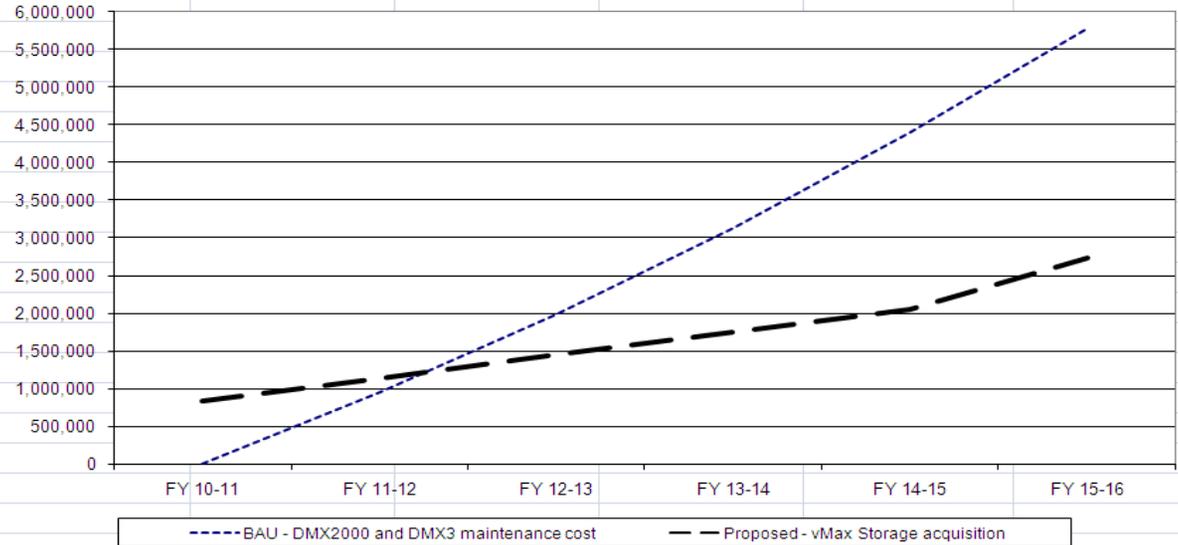
Cost Reduction

5-Year **\$3,037,665**
Percentage Reduction

5-Year **52.6%**

Assumptions:

- o 5-Year LACCAL Financing
- o 4-year prepaid maintenance S&S in FY 10-11



Financial Comparison:

BAU - DMX2000 and DMX3 maintenance cost	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Maintenance costs (HW & SW)		\$ 946,342	\$ 1,040,976	\$ 1,145,074	\$ 1,259,581	\$ 1,385,539
Annual Option A costs	\$ -	\$ 946,342	\$ 1,040,976	\$ 1,145,074	\$ 1,259,581	\$ 1,385,539
Cumulative:	\$ -	\$ 946,342	\$ 1,987,318	\$ 3,132,392	\$ 4,391,973	\$ 5,777,512

Proposed - vMax Storage acquisition to replace old equipment	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Software Maintenance Costs		-	-	-	-	84,847
Hardware Maintenance Costs		-	-	-	-	294,313
Hardware Maintenance Costs - Prepay	833,497					
LAC-CAL Payments		305,438	305,438	305,438	305,438	305,438
Annual Revised costs:	\$ 833,497	\$ 305,438	\$ 305,438	\$ 305,438	\$ 305,438	\$ 684,598
Cumulative:	\$ 833,497	\$ 1,138,935	\$ 1,444,373	\$ 1,749,811	\$ 2,055,249	\$ 2,739,847
Annual Savings with Revised:	\$ (833,497)	\$ 640,904	\$ 735,538	\$ 839,636	\$ 954,143	\$ 700,941
Cumulative:	\$ (833,497)	\$ (192,593)	\$ 542,945	\$ 1,382,581	\$ 2,336,724	\$ 3,037,665

A Financial Comparison for:
Compare:

IBM Mainframe Processor Cost Benefit Analysis 2011 - 2016

Business as Usual (BAU) vs Proposed

Cumulative Cost Comparison

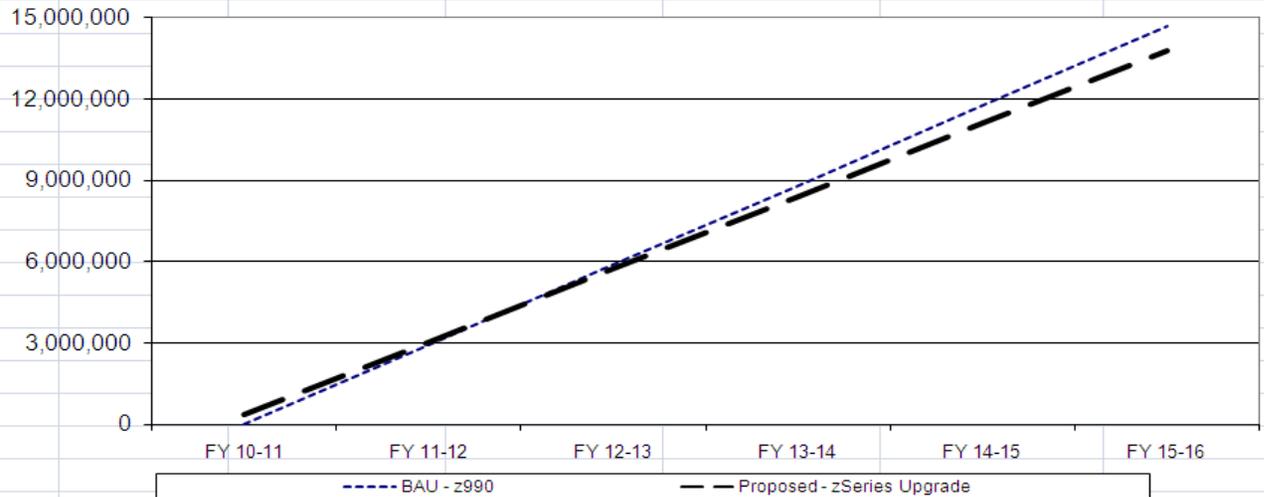
Cost Reduction

5-Year **\$889,161**
Percentage Reduction

5-Year **6.1%**

Assumptions:

- 5-Year LACCAL Financing
- 12 Month Warranty (FY 11-12)
- 4-year prepaid maintenance S&S in FY 10-11



Financial Comparison:

BAU - z990	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Software Monthly License Charge (MLC)		\$ 2,601,900	\$ 2,601,900	\$ 2,601,900	\$ 2,601,900	\$ 2,601,900
Hardware Maintenance Costs		\$ 216,000	\$ 216,000	\$ 216,000	\$ 216,000	\$ 216,000
z990 Loaner Equipment		\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
Annual Option A costs	\$ -	\$ 2,937,900	\$ 2,937,900	\$ 2,937,900	\$ 2,937,900	\$ 2,937,900
Cumulative:	\$ -	\$ 2,937,900	\$ 5,875,800	\$ 8,813,700	\$ 11,751,600	\$ 14,689,500

Proposed - zSeries Upgrade		FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Software MLC		2,350,116	2,350,116	2,350,116	2,350,116	2,350,116
Hardware Maintenance Costs - Prepay	358,994					
LAC-CAL Payments		338,153	338,153	338,153	338,153	338,153
Annual Revised costs:	\$ 358,994	\$ 2,688,269	\$ 2,688,269	\$ 2,688,269	\$ 2,688,269	\$ 2,688,269
Cumulative:	\$ 358,994	\$ 3,047,263	\$ 5,735,532	\$ 8,423,801	\$ 11,112,070	\$ 13,800,339
Annual Savings with Revised:	\$ (358,994)	\$ 249,631	\$ 249,631	\$ 249,631	\$ 249,631	\$ 249,631
Cumulative:	\$ (358,994)	\$ (109,363)	\$ 140,268	\$ 389,899	\$ 639,530	\$ 889,161



SACHI A. HAMAI
EXECUTIVE OFFICER

COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 383
LOS ANGELES, CALIFORNIA 90012
(213) 974-1411 • FAX (213) 620-0636

MEMBERS OF THE BOARD

GLORIA MOLINA
MARK RIDLEY-THOMAS
ZEV YAROSLAVSKY
DON KNABE
MICHAEL D. ANTONOVICH

May 10, 2011

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:

**BOARD OF SUPERVISORS EXECUTIVE OFFICE:
KENNETH HAHN HALL OF ADMINISTRATION – ROOM B79
DATA CENTER RENOVATION AND RECONFIGURATION
CAPITAL PROJECT NO. XXXXX
(ALL DISTRICTS) (3 VOTES)**

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

SUBJECT

Approval of these recommendations will allow the Board of Supervisors Executive Office to renovate and reconfigure the existing data center located in Room B-79 in the Kenneth Hahn Hall of Administration.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the project to renovate and reconfigure the existing data center located in Room. B79 of the Kenneth Hahn Hall of Administration is categorically exempt from the provisions of the California Environmental Quality Act for the reasons stated in this Board letter and in the project record.
2. Approve Capital Project (C.P.) No. XXXXX and total project budget of \$564,000, including \$3,000 for the Civic Art Fee, for the Board of Supervisors Executive Office – Data Center Renovation and Reconfiguration Project.
3. Approve the attached appropriation adjustment transferring \$564,000 from the Board of Supervisors Executive Office's Fiscal Year 2010-11 Operating Budget to the Capital Projects Budget to fund the renovation and reconfiguration of the existing Data Center, C.P. No. XXXXX.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will allow for the renovation and reconfiguration of the existing Board of Supervisors Data Center located in Room B-79 in the basement of the Hall of Administration to address life safety issues and reliable power issues.

The Data Center provides for the information technology infrastructure and computing platforms that support the Board of Supervisors, the Executive Office for the Board, and Board appointed Commissions. In addition, it facilitates the public's access to information and interaction with the Board and supports the functions of the Board.

The renovation does not expand the Data Center but it does include the reconfiguration and re-sizing of the existing environmental infrastructure. Specifically, to address life safety issues associated with an old HVAC unit that leaks water in an area where high voltage (220VAC) is in use, high voltage fire hazard of an old Uninterruptable Power Supply (UPS) unit, removal of the current overhead water sprinkler as primary fire suppression system to a gas fire retardant system. The project will also include separation of employee work area from HVAC and high voltage systems, fire rated walls, and redundant mechanical systems to provide reliability and easier maintenance of systems.

The project was designed with the assistance of Architectural Engineers from the Department of Public Works (DPW). The renovation and upgrade activities will be managed by the Executive Office (Department) Building Management Division and Information Resource Division, and the Internal Services Department (ISD). Specification drawings and scope of work have been prepared by DPW for the removal and replacement/upgrade of hazardous HVAC systems, UPS systems, fire suppression systems, necessary electrical upgrades, fire rated walls, painting, and other appurtenant site improvements. The proposed renovation project is anticipated to be completed in December, 2011.

Green Building/Sustainable Design

The project will incorporate the use of recycled or reused materials to the extent feasible, more energy efficient fixtures and equipment, variable controlled systems based on demand, and latest technology in efficient design. In addition, the IT operations will have an environment capable to allow for higher power electrically efficient platforms needed to support high density computing used to support today's higher powered software applications.

Implementation of Strategic Plan Goals

Approval of this project is consistent with the County Strategic Plan Goal of Operational Effectiveness (Goal No. 1). As indicated above, it will enhance Service Excellence and Organizational Effectiveness by providing members of the public with greater access to information and significantly improve the level of service through quality, timely, and cost-efficient services. In addition, it will improve the efficiency of current Information Technology (IT) Operations by using modern high efficiency cooling and power conditioning equipment.

FISCAL IMPACT/FINANCING

The estimated total project cost is \$564,000, which includes the design, construction, equipment, and Civic Art Fee. Funding for this project is available in the Board of Supervisors Executive Offices' Fiscal Year 2010-11 Adopted Budget.

The attached appropriation adjustment will transfer \$564,000 in one-time net County cost in the Department's Services and Supplies budget to the Fiscal Year 2010-11 Capital Projects Budget, under C.P. No. XXXXX. In addition, this project is subject to the County's Civic Art Policy, which requires the transfer of one percent of base construction costs, or \$3,000 to the Civic Art Fund. The recommendation to transfer the Civic Art Fee will be included in a separate Board letter later this fiscal year. Upon your Board's approval, the attached appropriation adjustment will provide sufficient appropriation to fund the Board of Supervisors Executive Office Data Center Renovation and Reconfiguration Project. A project budget summary is included in Attachment A.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

According to the County's Civic Art Policy guidelines, a contribution to the Civic Art Fund of one percent of the project's base construction costs or \$3,000 is required. The amount of the Civic Art Fee is included in the Project Budget Summary (Attachment A). We will return to your Board to recommend transferring the fee to the Civic Art Fund in a separate Board letter later this fiscal year.

CONTRACTING PROCESS

Not applicable.

The Honorable Board of Supervisors
April 18, 2011
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IMPACT ON CURRENT SERVICES (OR PROJECTS)

The approval of this request will not result in any impact on other current services or projects.

CONCLUSION

Upon approval of the recommendations, please return one adopted, stamped copy of the Board letter to the Chief Executive Office, Capital Projects Division.

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

SACHI A. HAMAI
Executive Officer, Board of Supervisors

Reviewed by:

RICHARD SANCHEZ
Chief Information Officer

WTF:SAH:cz

Attachment

c: Executive Office, Board of Supervisors
Internal Services Department
Department of Public Works

ATTACHMENT A

**BOARD OF SUPERVISORS EXECUTIVE OFFICE:
KENNETH HAHN HALL OF ADMINISTRATION - ROOM B79
DATA CENTER RENOVATION AND RECONFIGURATION
CAPITAL PROJECT NO. XXXXX
(3 VOTES)**

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date
Project Needs Assessment	January-09
Project Feasibility	January-09
Project Program Validation	July 2010
Design	November 2010
Construction Contract Award	May-11
Construction	
Field Acceptance	November-11
Field Acceptance	December-11

II. PROJECT BUDGET SUMMARY

Budget Category	Proposed Total Project Budget
Land Acquisition	N/A
Construction	
(a) Construction	\$ 290,000
(b) Change Orders	\$ 29,000
Equipment	\$ 184,000
Plans and Specifications	\$ 58,000
Civic Art Program Fee	\$ 3,000
Consultant Services	\$ -
Miscellaneous Expenditures	\$ -
Jurisdictional Review and Plan Check	\$ -
County Services	\$ -
TOTAL	\$ 564,000