



Date: February 22, 2015

To: Chuck H. Huckelberry  
County Administrator

From: Jesse Rodriguez  
Chief Information Officer

Re: Limited Competition Procurement for Server/Storage Migration & Transformation Services

Pursuant to Title 11, Chapter 11.12.060 - Emergency and other limited competition procurement, the Information Technology Department is requesting your approval of a Limited Competition Procurement for the Data Centers Migration Project. A situation exists where compliance with normal purchasing procedures is impracticable or contrary to the public interest, due to the fact that there are no reasonable alternative services providers who can migrate the County's two Data Centers maintained by Pima County Information Technology Department (PCITD) to the new Hewlett-Packard servers and data storage equipment with appropriate configuration per HP Best Practices as the equipment and related software are designed.

## Background

PCITD sought approval from the Board of Supervisors (BOS) to award a limited competition agreement to HP to provide desktops, servers, remote storage devices, laptops, and mobile devices, given the benefits of economy of scale in working with one vendor to provide all of this equipment and related management applications. The initial award was granted by the BOS at their August 5<sup>th</sup>, 2014 meeting for desktops, workstations, laptops, and computing peripherals. A subsequent submittal to expand scope in the form of an amendment was sent to the Board of Supervisors for approval on October 14, 2014 and was approved to include computer servers, data storage, enterprise monitoring, management software, configuration, implementation, and training services.

While the BOA approved on October 14<sup>th</sup> the expanded scope for the "...configuration, implementation, and training services...", a Scope of Work (SOW) was not available at the time of the amended award to provide for signature, due to the SOW still being negotiated between PCITD and HP. The SOW has now been mutually agreed upon, and both server and data storage technology has been ordered and delivered under various lease agreements.

## Scope of Work

This SOW outlines the Data Centers Migration Project, which is a component of the Technology Refresh in the Pima County strategic plan approved in June of 2014. In addition, it outlines the role of a Program Manager to oversee Pima County's hardware implementation project, as well as the migration project described in the SOW.

Pima County's Technology Refresh, as related to server/storage environment, is undertaking the following:

- Refresh all Hardware environments including servers and storage equipment

- Migrate Pima County's two (2) data centers to achieve swapping of the environments from the Primary Data Center location with the Disaster Recovery Data Center location

The Technology Refresh has multiple purposes for Pima County:

- Swap the existing data centers to position the Primary Data Center in the newest and largest of the two (2) Data Centers
- Establish a well-defined, comprehensive, enterprise-wide business-aligned Data Center model that Pima County can grow and adapt to support their operational strategies
- Migrate critical applications from the older Data Center to the newer Data Center based on developed target architectures
- Mitigate risk through an improved disaster recovery plan
- Provide Pima County with the flexibility and agility to rapidly provision infrastructure
- Increase efficiencies in Pima County's IT cost and IT performance

The SOW comprises services and deliverables to perform the Data Center Migrations (swaps) for Pima County's Tucson, AZ data centers. The HP team proposes the following services:

Activities	Details
Project Management	<ul style="list-style-type: none"><li>• Project plan</li><li>• Schedule</li></ul>
Discovery, Assessment	<ul style="list-style-type: none"><li>• Baseline performance</li><li>• Assessment</li><li>• Recommendations</li></ul>
Future Architecture	<ul style="list-style-type: none"><li>• Hardware and Network architecture diagrams</li></ul>
Migration Planning	<ul style="list-style-type: none"><li>• Equipment lists</li><li>• BOMS</li><li>• Migration plan</li><li>• Application groupings</li><li>• Migration strategies</li></ul>
Pilots	<ul style="list-style-type: none"><li>• Design validation</li><li>• Migration process validation</li></ul>
Detail Design	<ul style="list-style-type: none"><li>• Transformation designs</li><li>• Source to target migration details</li><li>• Migration playbooks</li></ul>
Migration	<ul style="list-style-type: none"><li>• Applications</li><li>• Servers</li><li>• Data</li><li>• Production cutover</li><li>• Performance assessment</li></ul>
Program Management	<ul style="list-style-type: none"><li>• Overall coordination of the two projects – Hardware implementation and the Data Center migration projects, including the design and management of their inter-dependencies</li></ul>

## Limited Competition

The HP team for this engagement is comprised of consulting resources in the roles of Project Manager, Architects, and Engineers. These resources will work with Pima County's team to:

- Understand the IT current environments
- Architect the future hardware and network environments
- Build the source-to-target plans
- Transform Pima County's IT hardware and network infrastructure to the future architecture

While there are several vendors of information-technology equipment, only HP is best positioned to meet the scope for the Technology Refresh items as listed above. HP has proven to be a reliable supplier of quality devices at competitive prices. HP produces devices for all aspects of an enterprise IT Program like the County's, including desktops, servers, remote storage devices, laptops, and mobile devices, use of which can cut down on compatibility and integration issues throughout the system. And lastly, HP can call upon the resources within its own organization to properly conduct all of the SOW activities with Best Practices in mind for the appropriate configuration and operation of the equipment they supplied, and train appropriate PCITD personnel on those Best Practices. No other vendor can provide all of these services for the full scope of equipment without having to call upon other vendors to perform subtasks of the SOW. This would not be in the best interest of Pima County, as the cost would rise and management of such a contract with multiple vendors becomes unwieldy. In fact, this was the state of affairs prior to this consolidation effort into one Tier 1 vendor such as HP.

I am requesting of you to approve a limited competition process conducted by PCITD, pursuant to Pima County Code § 11.12.060, and recommend the Board of Supervisors award a Master Agreement (MA) to HP, with the exclusive scope of the MA to be the SOW. The SOW is broken into two phases, consistent with the occurrence of County fiscal years. Phase I is not to exceed \$871,354.00 for Fiscal Year 14-15. Phase II is not to exceed \$366,938.00 for Fiscal Year 15-16. Therefore, the total not to exceed amount for this SOW is \$1,238,292.00.

APPROVED:

 3/25/15  
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Chuck H. Huckelberry, County Administrator                      Date



PIMA COUNTY

INFORMATION TECHNOLOGY

MEMORANDUM

Date: March 18, 2015

To: Chuck H. Huckelberry  
County Administrator

From: Jesse Rodriguez  
Chief Information Officer

Re: HP Transformation Services

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In order to provide visibility to the impacts of recent decisions regarding FY 14/15 and FY 15/16 budget expenditures, County IT has analyzed the current budget impacts and the following is an assessment of the critical needs of the organization for the server and storage environments.

Currently, we have leased Server and Storage equipment totaling \$2.8 million dollars per year of the initially estimated \$5.2 Million. The reduction in the overall initial estimate came in part as a result of the reduction of the HP software for asset management, monitoring and service management in the amount of \$900,000. The remaining amount was estimated for the implementation services necessary in order to properly set up, configure and transition support to Pima County. Due to a delay in the completion of the statement of work for the implementation services, a new contract was required to move forward with the implementation services as a standalone contract allowing the County to purchase the services outright, rather than leasing the services over a period of three years. This resulted in a submittal for a limited competition award request for the HP transformation and migration services in the amount of \$1,238,292. This is still pending approval by the County Administrator prior to being submitted to the Board for approval. This brings the total to \$4,038,292 in obligations for this fiscal year of the originally requested transfers of \$4,640,138 submitted to the Board on November 18<sup>th</sup>, 2015, for approval of the 2014/2015 Supplemental Budgets. The remaining amount of \$600,000 was to be used for Sheriff networking and server needs.

If the HP Transformation and Migration Services are not approved, the server and storage equipment acquired earlier in the fiscal year (January 2015) will not be implemented and thus cannot be used for current and future server and storage solutions. The impact on the County will be that the organization will run out of storage by the end of 1<sup>st</sup> quarter FY 15/16 and any additional server requirements will not be able to be provided until the equipment is implemented. This will mean that the servers and storage necessary to move all existing projects and all future projects for County departments, as well as future storage needs of the organization, i.e., file, email, application, web, database, document management, fax, and other servers will not occur. This will result in the shutdown of IT services in the County. We estimate this will occur by October 2015.

We recommend your approval for the acquisition of the HP Transformation and Migration services in the amount of \$1,238,292 to complete the project of moving away from the NetApp and Dell environments onto the HP servers and storage allowing for the expansion needs of the existing County systems as well as planned project utilization going forward. This will allow the County to meet its server and storage growth needs this and next fiscal year.

Chuck H. Huckelberry, County Administrator  
Re: HP Transformation Services  
March 18, 2015  
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Your approval is recommended.

JR/mk

APPROVED:

*C. Huckelberry 3/18/15*  
C.H. Huckelberry, County Administrator (Date)

*transitional service approved  
complete contracted work - i.e.  
in-process.*