Agenda Item #: 3U-3

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date: Department:	November 7, 2017	[x] Consent [] Public Hearing	[]Regular []Workshop		
Submitted by: Submitted for:	Submitted by: Information Systems Services (ISS) Submitted for: Information Systems Services				
	I. EXECU	JTIVE BRIEF			
Motion and Title : Staff recommends motion to approve : a Budget Transfer in the amount of \$689,829 within the Information Technology Capital Improvements fund to reallocate expenditure budgets among specific ISS Capital Projects, with a net fiscal savings in the Operating Budget of \$277,800 over the next three (3) years.					
Summary: ISS manages 37 active Capital Improvement projects related to Information Technology (IT) for Palm Beach County. Three of the projects, Microsoft Office Suite Upgrade (Unit I342), Advantage Performance Budgeting System (Unit I344), and Storage Director Hardware Replacement (Unit I356) can be completed without expending their entire adopted budget. Conversely, two other projects, Network Equipment & Vendor Support (Unit I345) and Enterprise Backup RR&I (FY 2017) (Unit I352), will require additional funding to be completed. A total of \$689,829 will be transferred from the three (3) completed projects to the two (2) incomplete projects referenced above. These capital expenditures are necessary and cost effective as further described below. (Countywide) (DW)					
Background and Justification: The ISS Capital Project Microsoft Office Suite Upgrade (Unit I342) is nearing completion with the installation of 4,186 licenses of the latest office suite (Microsoft Office 2016) and a balance of over \$467,000 remaining available in the project. Unspent funds are available in this project because the actual number of licenses required were less than projected and ISS was able to negotiate a discounted cost for the licenses that were purchased.					
ISS is requesting to move \$405,000 from this project and \$39,829 from Storage Director Hardware Replacement (Unit I356) to ISS Capital Project Enterprise Backup RR&I (Unit I352). The Storage Director Hardware Replacement (Unit I356) project is complete and the Enterprise Backup RR&I (Unit I352) project requires additional funding to upgrade and enhance the County's data storage capacity through the purchase of new equipment.					
Continued on page 3					
Attachments: 1. Budget Transfer Document, Information Technology Capital Improvements					
Recommended b	y:		/25 //7 Date		
Approved by:	County Adminis	.trator [/ <i>0/3 7</i> Date		

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact

Fiscal Years Capital Expenditures Operating Costs	2018	2019	2020	2021	2022
	\$738,500	0	0	0	0
	(\$82,600)	(\$97,600)	(\$97,600)	\$0	\$0
External Revenues Program Inc (County) In-Kind Match (County)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	<u>0</u>	<u>0</u>	0	0	0
	<u>0</u>	<u>0</u>	0	0	0
NET FISCAL IMPACT	<u>\$655,900</u>	<u>(\$97,600)</u>	<u>(\$97,600)</u>	<u>\$0</u>	<u>\$0</u>
# Additional FTE Positions (Cumulative)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Is Item Included in Current Budg	et	Yes X	No		
Expend Budget Number: Fund	3901 Dept	491 Unit	1356 Obj	6405 <\$405	9,829>
	3901 Dept	491 Unit	1352 Obj	6405 <\$35	4,829
	3901 Dept	491 Unit	1344 Obj	5121	5,000>

B. Recommended Sources of Funds / Summary of Fiscal Impact

Funds to be provided through a reallocation of existing capital budgets. Three years of maintenance costs (FY 2018, 2019 & 2020, totaling \$133,200) quoted with the initial purchase price of the storage solution will be paid from the ISS Operating Budget; one year of maintenance, costs (FY 2018, \$23,000) will be included in the purchase price of the NetScout solution and will be paid from the Capital Project. Future maintenance costs for NetScout will be budgeted in the ISS Operating Budget.

C. Department Fiscal Review:	W Charal	14/28/17
	/	

A OFME Final and/or Contract Development & Contract	
A. OFMB Fiscal and/or Contract Development & Control Comments:	
AMA (10/26/17 And Jacobow 10/27	7/1
The iclas the OFMB Contract Administration	
10/24/10 TW	
B. Legal Sufficiency:	
10/31/17	
Assistant County Attorney	

C: Other Department Review:

Department Director

THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.

Continued from page 1...

The existing storage infrastructure has been in service for more than four years and is not sufficient to handle the constantly expanding growth in storage space and performance. Based on research of storage systems in the Gartner leaders' quadrant, including IBM, Netapp, Pure Storage and others, ISS selected Pure Storage system, a leader in the flash storage space with its NVME flash, or "storage on memory", which provides sub-millisecond latency and extreme data transfer speeds. The purchase price for the Pure Storage solution equipment is \$442,800 and will be paid from the Capital Project budget. Three (3) year coverage for maintenance and support for the new system, valued at \$133,200, will be paid through the ISS Operating Budget because the maintenance expenditure for the existing equipment had already been budgeted in FY 2018. This reduction in maintenance cost will result in a net three (3) year savings of \$346,800 over the estimated \$480,000 cost to maintain the existing system over the same time.

The first phase of the ISS Capital Project Advantage Performance Budgeting System (Unit I344) has been completed. It was subsequently decided that the County would not proceed with the second phase of the project to implement a publishing tool for preparing the narrative and graphical portions of the annual budget document.

Given these funds are no longer needed for their original purpose, ISS is requesting Board approval to reallocate \$245,000 of the remaining balance to another existing ISS Capital Project, Network Equipment & Vendor Support (Unit I345). The transfer of this funding will enable ISS to purchase the latest edition of the NetScout Ngenius, which is required due to the vendor's decision to no longer support our existing version of NetScout. The NetScout product is a critical tool used daily by ISS Network staff to analyze countywide network traffic patterns and performance in order to identify root causes of network inefficiency and congestion.

Our existing Netscout appliances were originally purchased in 2003 and upgraded in 2005. ISS had been paying annual maintenance costs of approximately \$45,000 for NetScout. Budgeted maintenance costs were reduced to \$10,000 in FY 2017 and \$0 for FY 2018 as most of the existing NetScout platform is obsolete and no longer usable. In order to bring the platform to a usable level of service and enable troubleshooting and diagnosis of issues with the new VoIP platform and e911 system, the proposed upgrade is required.

The cost to trade-in and upgrade the existing NetScout platform equipment is \$272,700. This was the most favorable price that ISS could negotiate after multiple design meetings with the manufacturer. The first year of maintenance and support costs of \$23,000 will be included with the initial purchase; this amount of annual maintenance will be included in the ISS Operating budget in subsequent years.

This approach to the rearrangement of Capital Project funding will result in the ability to close both the Network Equipment & Vendor Support (Unit I345) and the Enterprise Backup RR&I (FY 2017) (Unit I352) projects upon completion of these purchases. This limited flexibility in reallocating capital dollars is necessary given the restrictions in funding availability for capital projects during the annual budget process. Infrastructure investments are required on an ongoing basis to support the County's complex computing environment.

2018 - 0104

BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA BUDGET TRANSFER

FUND 3901 - INFORMATION TECHNOLOGY CAPITAL IMPROVEMENTS

BGEX 490 101017 * 71

AC	COUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 10/26/2017	REMAINING BALANCE
Expenditures 491-I342-6405 491-I356-6405 491-I352-5121 491-I344-5121 491-I345-6405 TOTAL APPROP	Data Processing Equipment Data Processing Equipment Data Processing Software/Accessories Data Processing Software/Accessories Data Processing Equipment RIATIONS & EXPENDITURES	467,137 39,829 1 450,001 150,388	467,137 39,829 1 450,001 7,447	0 0 444,829 0 245,000	405,000 39,829 0 245,000 0	62,137 0 444,830 205,001 252,447	0 0 55,750 0 2,806	62,137 0 389,080 205,001 249,641
INITIATING DEPA	Ianagement and Budget RTMENT/DIVISION get Department Approval Posted	Signatures & Dates Steve Bordelon, Direc	11/10	e Borde Co	10/26/17	BY BOARD OF COL AT MEETING OF Deputy Clerk to the Board of County Col	UNTY COMMISSION November 7, 2017 mmissioners	ERS