

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Mark Greinke, CTO		2. Telephone No. 823.4219	3. Bureau/Office/Dept. Technology Services
4a. To be filed (date): 10/27/11	4b. Calendar (Check One) Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst: 10/26/11
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) Legislation Title:

Accept bid from Structured Communications System, Inc. for the Hitachi storage area network Price Agreement with a five-year, not-to-exceed cost of \$8,000,000 (Procurement Report – Bid No. 113272)

2) Purpose of the Proposed Legislation:

Accept Chief Procurement Officer's (CPO) recommendation that the City execute a five-year price agreement in an amount not-to-exceed with Structured Communications Systems, inc. for the purchase of SAN hardware, software and services.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|---|------------------------------------|------------------------------------|--------------------------------|
| <input type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |
| <input checked="" type="checkbox"/> Internal City Government Services | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

This legislation will not generate any direct revenue to the City.

5) Expense: What are the costs to the City related to this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the level of confidence.)

Costs will be related to purchases resulting from the proposed ITB. Funding for this purchase will be provided by the BTS under cost center MFTS000020 for maintenance and support services, and under C0026 for acquisitions of capital assets.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

There are no current year position changes resulting from this legislation.

- **Will positions be created or eliminated in future years as a result of this legislation?**

There are no future year position changes resulting from this legislation.

(Complete the following section only if an amendment to the budget is proposed.)

- 7) **Change in Appropriations** *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

☒ **YES:** Please proceed to Question #9.

☐ **NO:** Please, explain why below; and proceed to Question #10.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item? None

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved? This project was presented to Council on August 17th, 2011 for approval to proceed with the competitive invitation to bid. The invitation to bid was publicly posted on the City's Online Procurement Center. Sixteen vendors downloaded the bid materials and three vendors responded to the solicitation. Additionally, this solicitation received review of the Technology Oversight Committee.

c) How did public involvement shape the outcome of this Council item?

The lowest responsible and responsive bidder was selected through the use of a public competitive solicitation. Additionally a member of the Technology Oversight Committee which is a subject matter expert in SAN products and services confirmed that the City is receiving favorable pricing.

d) Who designed and implemented the public involvement related to this Council item? Procurement Services and the Bureau of Technology Services collaborated on the competitive invitation to bid.

e) Primary contact for more information on this public involvement process (name, title, phone, email): Scott Schneider, Technology Procurement Supervisor, 503 823-6880, Scott.Schneider@portlandoregon.gov

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

Ordinance No. 184824, which authorized the use of a competitive invitation to bid for the SAN hardware, software, and services, requires the Chief Procurement Officer to submit this report to Council with a recommendation for the award of the resulting price agreement to the lowest responsible and responsive bidder. Additionally, the implementation project related to the replacement of existing SAN equipment nearing the end of manufacturer's support, will include oversight by the Technology Oversight Committee.

Mark Greinke, Chief Technology Officer

BUREAU DIRECTOR (Typed name and signature)



CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

Sam Adams, Mayor
Jack D. Graham, Chief Administrative Officer
Jeffrey B. Baer, Director, Bureau of Internal Business Services

Christine Moody
Chief Procurement Officer
Procurement Services
1120 S.W. Fifth Avenue, Rm. 750
Portland, Oregon 97204-1912
(503) 823-5047
FAX (503) 823-6865
TTY (503) 823-6868

FOR MAYOR'S OFFICE USE ONLY

Reviewed by Bureau Liaison _____

DATE: October 25, 2011
TO: Mayor Sam Adams
FROM: Christine Moody *C. Moody*
RE: Accept bid from Structured Communications System, Inc. for the Hitachi storage area network Price Agreement with a five-year, not-to-exceed cost of \$8,000,000 (Procurement Report – Bid No. 113272)

1. INTENDED THURSDAY FILING DATE: October 27, 2011
2. REQUESTED COUNCIL AGENDA DATE: November 9, 2011
3. CONTACT NAME & NUMBER: Christine Moody ~ 823-1095
4. PLACE ON: ☐ CONSENT ☒ REGULAR
5. BUDGET IMPACT STATEMENT ATTACHED: ☒ Yes ☐ No ☐ N/A
6. ONE (1) ORIGINALS OF CONTRACT "APPROVED AS TO FORM" BY CITY ATTORNEY ATTACHED: ☐ Yes ☐ No ☒ N/A

7. BACKGROUND/ANALYSIS:

The Office of Management and Finance, Bureau of Technology Services serves the bureaus within the City by implementing, upgrading and maintaining the City's technology infrastructure. A core piece of this infrastructure is the City's storage area network (SAN). The SAN infrastructure provides high performance and highly reliable data storage for more than 90% of the City's file servers including mission critical systems such as SAP, Cayenta, TRACS, 9-1-1 Dispatch, Portland Police Data System, Synergen, Maximo and Business Licenses. A large portion of the City's existing SAN equipment will reach the end of its manufacturer's support life over the next fiscal year and must be replaced

On August 17, 2011, Council approved Ordinance No. 184824, which authorized a competitive invitation to bid for SAN hardware, software and services. The Chief Procurement Officer (CPO) advertised and received bids pursuant to Bid No. 113272 for the Hitachi Storage Area Network Pricing Agreement. Bids were opened on September 30, 2011, and three bids were received. The low bid from Structured Communications Systems, Inc. was deemed responsive to the requirements of the solicitation.

Legal issues - none known

Controversial issues - none known

Citizen participation - none

Link to current city policies - none

- Other governmental participation - none

8. FINANCIAL IMPACT:

Funds are available for this project under BTS cost center MFTS000020 for maintenance and support services, and under C0026 for acquisitions of capital assets.

9. RECOMMENDATION/ACTION REQUIRED

Accept CPO recommendation that the City execute a five-year price agreement in an amount not-to-exceed \$8,000,000 with Structured Communications Systems, Inc. for the purchase of SAN hardware, software and services.

An Equal Opportunity Employer

To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.