

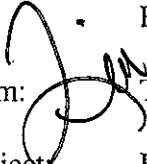


Berkeley Housing Authority

1901 Fairview St., Berkeley, CA 94703
Telephone: (510) 981 5470 Fax: (510) 981 5480

Office of the Executive Director

Item 6C
INFORMATION
November 17, 2011

To: Honorable Chair and Members of the Berkeley Housing Authority Board
From:  Tia M. Ingram, Executive Director
Subject: Emergency expenditures for technology upgrades

This item is to advise the Board of a critical expense item, deemed critical for day-to-day operations, that is not in the currently approved budget.

Computer Server. For several months staff has complained of significant slow speed when processing routine transactions in "Elite" – the housing assistance software used for the Section 8 and Public Housing Programs, and printing documents (Word, Excel or PDF). In the Executive Director report for October (given orally) we advised that we had met with representatives from the Information Technology Department (IT), who advised the only solution to our problem is replacement of the server. We briefly shared the two server options proposed by IT – and the estimated cost of \$10,000-\$20,000. The Board advised the need for additional information, and asked staff to obtain specifications and a quote from IT, and to consider the purchase of a used, versus new server. We followed up with IT which advised a used server was not an option, and provided the requested specification and quote. This information, as requested, was shared with Chairperson Norris and Commissioner Agostino for review. We included a recommendation to proceed with purchase on the Finance Committee agenda for November 2nd. Concerned about any acquisition that would increase the estimated budget deficit, the Committee asked staff to gather information on anticipated software enhancements (i.e. the Elite Partner Portal for landlords, recommended by Quadel) and report back with more cost information.

On November 3 we were advised by IT that "*BHA's existing server is in poor health; it's likely to fail in the not-too-distant future. If that happens before we've ordered a new server, Elite could be unavailable for a number of weeks.*" Without access to Elite, all BHA operations would cease. We would not be able to perform annual or interim recertifications; we would not be able to submit required data/transactions to HUD; and we would not be able to generate landlord rental subsidy payments. Thus, based on IT's assessment of the server, which I accept based on their expertise and hands-on experience working on and with our server, on November 7th I authorized the acquisition in hopes of avoiding a possible disruption in operations. The estimated cost for a new server and associated software is \$12,000 plus tax. Installation, which is expected to take one full day, is scheduled for Friday, December 16, 2011 (when the office is closed, and not staffed).

STATUS

BHA's procurement policy describes a "small purchase" as one where the expenditure is up to \$50,000; in such cases no formal sealed bid or Request for Proposal process is required. Oral or email solicitations can be used. In this instance, the procurement is justified based on the solicitation performed by the City.

The only sure way to fund this critical expense is to increase the annual deficit, and increase use of the unrestricted reserve by approximately \$20,000. There is a possibility of reallocating \$12,075 approved funds in the current budget to cover the anticipated cost of \$20,000 (\$5,575 from the travel/training budget; \$4,000 from office supplies and \$2,500 from Advertising budget). However, unlike the resolutions accompanying the budgets adopted for Fiscal Year 2009-10 and Fiscal Year 2010-11 which included the following language "...*the Executive Director is authorized during the fiscal year, to adjust the allocation of expenditures within the total budget authority approved by the board, in order to efficiently manage the operations of the Authority*"; no such language was provided the Executive Director for Fiscal Year 2011-12.

Perceiving an emergency situation, I have directed BHA's Finance Manager to make the necessary adjustments to the FY 2011-12 budget to allow for the above stated expenditure.

Attachments:

1. Server Specifications/Quotations
2. Email from IT



QUOTATION

QUOTE #: 601779428
 Customer #: 58506142
 Contract #: 45ABZ

Customer Agreement #: 090701.02

Quote Date: 10/25/11

Date: 10/25/11 4:53:04 PM

Customer Name: CITY OF BERKELEY

| | | | |
|----------------------|------------|--------------------------------|---|
| TOTAL QUOTE AMOUNT: | \$3,196.99 | | |
| Product Subtotal: | \$3,196.99 | | |
| Tax: | \$0.00 | | |
| Shipping & Handling: | \$0.00 | | |
| Shipping Method: | Ground | Total Number of System Groups: | 0 |

| SOFTWARE & ACCESSORIES | | | |
|--|----------|------------------------------|------------|
| Product | Quantity | Unit Price | Total |
| VLA Microsoft Windows Server 2008 R2 Standard - License (A4106704) | 1 | \$473.33 | \$473.33 |
| VLA SQL SERVER STD 2008 R2 (A3741659) | 1 | \$585.46 | \$585.46 |
| VLA Microsoft SQL Server 2008 R2 - License (A3741651) | 20 | \$106.91 | \$2,138.20 |
| ELECTRONIC LICENSE CONFIRMATION elec dwnld only (A3458532) | 1 | \$0.00 | \$0.00 |
| Number of S & A Items: 4 | | S&A Total Amount: \$3,196.99 | |

| | | | |
|----------------|----------------------|------------|----------------|
| SALES REP: | Chris Evers | PHONE: | 1-512-513-9922 |
| Email Address: | chris_evers@Dell.com | Phone Ext: | |

Please review this quote carefully. If complete and accurate, you may place your order online at www.dell.com/qto (use quote number above). POs and payments should be made to *Dell Marketing L.P.*

If you do not have a separate agreement with Dell that applies to your order, please refer to www.dell.com/terms as follows:

If purchasing for your internal use, your order will be subject to *Dell's Terms and Conditions of Sale-Direct* including Dell's U.S. Return Policy, at www.dell.com/returnpolicy#total. If purchasing for resale, your order will be subject to *Dell's Terms and Condition of Sale for Persons or Entities Purchasing to Resell*, and other terms of Dell's PartnerDirect program at www.dell.com/partner. If your order includes services, visit www.dell.com/servicecontracts for service descriptions and terms.

Quote information is valid for U.S. customers and U.S. addresses only, and is subject to change. Sales tax on products shipped is based on "Ship To" address, and for downloads is based on "Bill To" address. Please indicate any tax-exempt status on your PO, and fax your exemption certificate, with seller listed as *Dell Marketing L.P.*, to Dell's Tax Department at 800-433-9023. Please include your Customer Number.

For certain products shipped to end-users in California, a State Environmental Fee will be applied. For Asset Recovery/Recycling Services, visit www.dell.com/assetrecovery.



QUOTATION

QUOTE #: 601739151
Customer #: 58506142
Contract #: WN99ABZ
Customer Agreement #: WSCA- B27160
Quote Date: 10/25/11
Customer Name: CITY OF BERKELEY

Date: 10/25/11 2:20:29 PM

| | | | |
|---------------------------------|-------------------|---------------------------------------|----------|
| TOTAL QUOTE AMOUNT: | \$7,455.04 | | |
| Product Subtotal: | \$7,455.04 | | |
| Tax: | \$0.00 | | |
| Shipping & Handling: | \$0.00 | | |
| Shipping Method: | Ground | Total Number of System Groups: | 1 |

| GROUP: 1 | QUANTITY: 1 | SYSTEM PRICE: \$7,455.04 | GROUP TOTAL: \$7,455.04 |
|---------------------------------|--|--------------------------|-------------------------|
| Base Unit: | PE R710 with Chassis for Up to 6, 3.5-Inch Hard Drives (224-8462) | | |
| Processor: | PowerEdge R710 Shipping (330-4124) | | |
| Memory: | 48GB Memory (12x4GB), 1333MHz Dual Ranked LV RDIMMs for 2 Procs, Optimized (317-7368) | | |
| Monitor: | Embedded Broadcom, GB Ethernet NICS with TOE (430-1764) | | |
| Video Card: | Intel Xeon E5645 2.40GHz, 12M Cache, 5.86 GT/s QPI, 6C (317-6154) | | |
| Video Memory: | Intel Xeon E5645 2.40GHz, 12M Cache, 5.86 GT/s QPI, 6C (317-6163) | | |
| Video Memory: | PowerEdge R710 Heat Sinks for 2 Processors (317-1213) | | |
| Hard Drive: | HD Multi-Select (341-4158) | | |
| Hard Drive Controller: | PERC H700 Integrated RAID Controller, 512MB NV Cache, x6 (342-1147) | | |
| Floppy Disk Drive: | Performance BIOS Setting (330-3492) | | |
| Operating System: | No Operating System (420-6320) | | |
| NIC: | Broadcom 5709 Dual Port 1GbE NIC w/TOE iSCSI, PCIe-4 (430-3260) | | |
| NIC: | Broadcom 5709 Dual Port 1GbE NIC w/TOE iSCSI, PCIe-4 (430-3260) | | |
| Modem: | iDRAC6 Enterprise (467-8648) | | |
| CD-ROM or DVD-ROM Drive: | DVD+-RW, SATA, INTERNAL (313-9090) | | |
| Sound Card: | Bezel (313-7517) | | |
| Speakers: | Riser with 2 PCIe x8 + 2 PCIe x4 Slot (320-7886) | | |
| Documentation Diskette: | Electronic System Documentation and OpenManage DVD Kit (330-3485) | | |
| Feature | RAID 1/RAID 5 for H700 or PERC 6/i Controllers (341-8704) | | |
| Feature | ReadyRails Sliding Rails With CableManagement Arm (330-3477) | | |
| Service: | Thank you choosing Dell ProSupport. For tech support, visit http://support.dell.com/ProSupport or call 1-800-9 (989-3439) | | |
| Service: | Mission Critical Package: 4-Hour 7x24 On-Site Service with Emergency Dispatch, 2 Year Extended (992-8162) | | |
| Service: | ProSupport : 7x24 HW / SW Tech Support and Assistance , 3 Year (992-8352) | | |
| Service: | Mission Critical Package: 4-Hour 7x24 On-Site Service with Emergency Dispatch, Initial Year (993-2200) | | |
| Service: | Dell Hardware Limited Warranty Plus On Site Service Initial Year (993-8447) | | |
| Service: | Dell Hardware Limited Warranty Extended Year (993-8458) | | |
| Service: | MISSION CRITICAL PACKAGE: Enhanced Services, 3 Year (993-8518) | | |
| Extended Service: | Dell Proactive Systems Management - visit www.dell.com/Proactive to configure your service (909-0269) | | |
| Installation: | On-Site Installation Declined (900-9997) | | |

| | |
|-------|---|
| Misc: | High Output Power Supply Redundant, 870W (330-3475) |
| Misc: | No Power Cord (310-9057) |
| | Power Cord, NEMA 5-15P to C13, 15 amp, wall plug, 10 feet / 3 meter (310-8509) |
| | Power Cord, NEMA 5-15P to C13, 15 amp, wall plug, 10 feet / 3 meter (310-8509) |
| | Power Cord, NEMA 5-15P to C13, 15 amp, wall plug, 10 feet / 3 meter (310-8509) |
| | 600GB 15K RPM SA SCSI 6Gbps 3.5in Hotplug Hard Drive (342-2056) |
| | 600GB 15K RPM SA SCSI 6Gbps 3.5in Hotplug Hard Drive (342-2056) |
| | 600GB 15K RPM SA SCSI 6Gbps 3.5in Hotplug Hard Drive (342-2056) |
| | 146GB 10K RPM SA SCSI 6Gbps 2.5in Hotplug Hard Drive in 3.5in HYB CARR (342-2015) |
| | 146GB 10K RPM SA SCSI 6Gbps 2.5in Hotplug Hard Drive in 3.5in HYB CARR (342-2015) |
| | |

| | | | |
|-----------------------|-----------------------------|-------------------|-----------------------|
| SALES REP: | Chris Evers | PHONE: | 1-512-513-9922 |
| Email Address: | chris_evers@Dell.com | Phone Ext: | |

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Quote information is valid for U.S. customers and U.S. addresses only, and is subject to change. Sales tax on products shipped is based on "Ship To" address, and for downloads is based on "Bill To" address. Please indicate any tax-exempt status on your PO, and fax your exemption certificate, with seller listed as *Dell Marketing L.P.*, to Dell's Tax Department at 800-433-9023. Please include your Customer Number.

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Emphasys Software
 3890 Charlevoix Avenue, Suite 370
 Petoskey, MI 49770
 (800) 968-6884/(231)347-2639(FAX)

Sales Quote

Quote Type: CC-OS Quote
Sales Rep: Kevin Pike
Quote Date: 9/8/2011
Quote Number: 2997
Created By: Jerry VanDreumel
Referred By: Jerry VanDreumel

Berkeley Housing Authority

1901 Fairview Street

Berkeley, CA 94703

Phone: (510) 981-5470

FAX: (510) 981-5480

Description: Consultation for SQL 2000 move to SQL 2005

Contact Name: Joe Koontz

| Item | Product Description | Quantity | Price Each | Extended Price |
|------|--|----------|------------|----------------|
| 1 | Network Engineerin | | | |
| | Network Engineering Services | 10.00 | 150.00 | 1,500.00 |
| | <i>Consultation for SQL 2000 to SQL 2005 move</i> | | | |
| | <i>**Specific consultation will be determined on which choice they make with the move to SQL 2005.</i> | | | |
| | <i>**If additional hours are needed it would be at the same rate of \$150.00 per hour (billed at a minimum of 15 min increments if time of consultation is less than 15 minutes - e.g. 12 minutes of consultation would be rounded up to 15 min)</i> | | | |

Quote and prices subject to change 30-days from Quote Date. Terms of payment for hardware and/or third party items are 85% due upon signing. Unless otherwise stipulated, 25% of proprietary products is due upon execution and 75% upon installation/delivery. On-site services do not include travel and per diem expenses. Client must obtain a Return Merchandise Agreement (RMA) number and approval from Emphasys for any refunds, exchanges, or returns. All returns for third-party products must be requested within 30 days from the delivery date, and will be subject to a 30% restocking fee. Client is responsible for any applicable freight and sales taxes.

Grand Total: \$1,500.00

Signature for Quote Approval

P.O.Number

THANK YOU!

From: Lapidus, Ivan
Sent: Thursday, November 03, 2011 1:06 PM
To: Ingram, Tia
Cc: Lasala, Donna
Subject: RE: BHA Server

Understood. We all have to be careful with every dime.

I just want to be clear about the fact that the delay entails risk. BHA's existing server is in poor health; it's likely to fail in the not-too-distant future. If that happens before we've ordered a new server, Elite could be unavailable for a number of weeks.

From: Ingram, Tia
Sent: Wednesday, November 02, 2011 11:18 AM
To: Lapidus, Ivan
Cc: Lasala, Donna
Subject: Re: BHA Server

Ivan, no questions, but unfortunately no green light for the cost. They want us to also get the cost for the new elite option (owner portal) so they have a "complete cost picture". Sorry for the delay; hope we can move things quickly.

From: Lapidus, Ivan
To: Ingram, Tia
Cc: Lasala, Donna
Sent: Tue Nov 01 08:31:47 2011
Subject: RE: BHA Server

Hi Tia --

Just checking in with you about the quotes. Did any questions come out of your finance committee meeting?

Please note that we've tentatively scheduled Emphasys to help us move Elite to a new server on December 9th (a VTO). In order to hit that date, we would need place the order for the server and software this week.

I look forward to hearing from you.

Thanks,

Ivan Lapidus, Senior Systems Analyst
City of Berkeley, Department of Information Technology
2180 Milvia Street, 4th Floor
Berkeley, CA 94704
510-981-6549 (Ph), 510-981-6560 (F) 510-981-6525 (Help Desk)
www.cityofberkeley.info

From: Lapidus, Ivan
Sent: Wednesday, October 26, 2011 1:34 PM
To: Ingram, Tia
Cc: Lasala, Donna
Subject: RE: BHA Server

Hi Tia –

Attached are your 3 quotes. Together, they come to just over \$12,000. Please note that tax and shipping would be added to the invoice for the hardware.

On a related subject, I've looked further into your options (self-hosted versus Emphasys-hosted) for the landlord portal. I knew self-hosting presented some security issues, but I needed to talk with our experts to find out how extensive. It turns out that if you self-host, IT will have to deploy additional hardware and software on our network to protect the rest of the City from the Internet traffic originating from the BHA portal.

We haven't looked into the costs associated with the additional measures that would be required to support BHA self-hosting, because we're confident that they'll significantly exceed the cost of Emphasys-hosting. If you like, we'll be happy to explore these options and their costs with you in more detail.

Please let me know if there's anything else you need.

Regards,

Ivan Lapidus, Senior Systems Analyst
City of Berkeley, Department of Information Technology
2180 Milvia Street, 4th Floor
Berkeley, CA 94704
510-981-6549 (Ph), 510-981-6560 (F) 510-981-6525 (Help Desk)
www.cityofberkeley.info

From: Lasala, Donna
Sent: Friday, October 14, 2011 7:44 AM
To: Lapidus, Ivan
Cc: Ingram, Tia; Sabatino, Sue
Subject: BHA Server

Hi Ivan – Can you please work with Sue to send Tia a formal Dell quote for the server her folks need, including all specifications that are normally included in a formal quote. Her finance committee wants to review it.

Tia – Purchasing a used server is not a good option for you at all. In addition, we our standardized a particular make/models of servers on the City network. I can explain more once Ivan gets you the specifications.

Thanks,

Donna

Donna LaSala, Director
City of Berkeley, Department of Information Technology
Martin Luther King, Jr. Civic Center
2180 Milvia Street, 4th Floor Berkeley, CA 94704
Phone: (510) 981-6541 **Fax:** (510) 981-6560
Website: www.CityOfBerkeley.info