

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

Date: July 20, 2017

To: Supervisor Theodore Lipscomb, Sr., Chairman, County Board of Supervisors

From: Laurie Panella, Chief Information Officer, DAS – Information Management Services Division (IMSD)
Prepared by Rick Trisco, IT Director of Governance and Strategy

Subject: Request for authorization to execute a contract with International Business Machines (IBM) for Mainframe-as-a-Service (MfaaS) for the ongoing management of the CGI Advantage application.

Request

The Department of Administrative Services – Information Management Services Division (DAS-IMSD) respectfully requests the authority to execute a 5-year contract at an annual cost of \$990,000 with International Business Machines (IBM) to transition the critical CGI Advantage System application to state-of-the-art, hosted mainframe environment.

Background

Today, several business-critical applications continue to reside on the County's deprecated IBM mainframe computer. In 2017, DAS-IMSD will retire most business applications running on the mainframe, but will continue running the County's mission critical financial system, CGI Advantage, which cannot be retired until implementation of a new ERP system.

Service and support of the current mainframe hardware present substantial risk to the County. As the hardware continues to age, it becomes increasingly difficult to obtain serviceable parts, and service outages increase in frequency and duration. An extended outage would inhibit the County from executing critical business functions such as making payments to vendors.

Execution of this contract allows DAS-IMSD's mainframe team to retire the current mainframe, hosted in the City of Milwaukee Data Center, and move our CGI Advantage system to Mainframe-as-a-Service (MfaaS). This transition enables the County to:

- Continue running the critical CGI Advantage system until the new Enterprise Resource Planning project is complete;
- Eliminate the risk associated with the continued use of the deprecated Mainframe;
- Enact a modernized Mainframe Disaster Recovery protocol that ensures the availability of the mainframe at 99% or better;

- Maintain reporting capabilities on historical data;
- Ensure 24/7 support of required mainframe functions; and
- Consolidate, stabilize, and optimize costs, while enhancing services provided.

As part of the implementation of MfaaS, DAS-IMSD will transfer all identified vital historical data to Milwaukee County data servers. This transition allows DAS-IMSD to maintain reporting capabilities on historical data and eliminates the need for reporting from the mainframe.

DAS-IMSD has engaged IBM to perform a proof-of-concept which will demonstrate the functionality of MfaaS in the County's environment. Following proof-of-concept and testing, DAS-IMSD will enter into a 5-year contract with IBM to provide MfaaS. The contract provides an option for early termination.

Entering into this agreement will mitigate the risk of financial impact to the County resulting from unexpected or prolonged mainframe downtimes. Additionally, the potential for unexpected repair costs related to the deprecated hardware is eliminated and create a predictable outcome for the future of the CGI Advantage system.

Fiscal

The 2017 cost of migration to the new MfaaS is absorbed in the DAS-IMSD budget through strategic reduction of existing mainframe spend. The annual cost of the IBM Contract beginning 2018 will be a not to exceed \$990,000. The cost will be partially offset by eliminating the need for onsite, contracted mainframe staff. The additional cost of mainframe operations is reflected in the 2018 budget request.

A fiscal note form is attached.

Recommendation

The Department of Administrative Services – Information Management Services Division (DAS-IMSD) respectfully requests the authority to execute a 5-year contract for \$990,000 per year with International Business Machines (IBM) to transition the critical CGI Advantage System application to state-of-the-art, hosted mainframe services.

Approved by:



Laurie Panella, DAS-IMSD
Chief Information Officer

cc: County Executive Chris Abele
Raisa Koltun, Chief of Staff
Supervisor Peggy West, Chair, Finance and Audit Committee
Supervisor Sheldon Wasserman, Vice-Chair, Finance and Audit Committee
Kelly Bablitch, Chief of Staff, County Board of Supervisors
Teig Whaley-Smith, Director, Department of Administrative Services
Steve Kreklow, Director, Policy, Strategy and Budget Administrator, DAS
Steve Cady, Research & Policy Director, Comptroller's Office
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