Department of Administration Budget Overview:

Enterprise Technology Services (ETS)

Presented by

ETS Director Jim Steele

Administrative Services Director Cheri Lowenstein

Enterprise Technology Services

	FY2016 Management Plan						FY2017 Management Plan						FY2018 Governor				
	UGF	DGF	Other	Fed	Total		UGF	DGF	Other	Fed	Total		UGF	DGF	Other	Fed	Total
ETS	0.0	0.0	38,769.2	0.0	**$38,769.2**	ETS	0.0	0.0	38,749.3	0.0	**$38,749.3**	ETS	0.0	0.0	0.0	0.0	**$0.0**
SATS	4,958.4	0.0	0.0	0.0	**$4,958.4**	SATS	4,434.8	0.0	0.0	0.0	**$4,434.8**	SATS	4,462.0	0.0	0.0	0.0	**$4,462.0**
ALMR	2,424.2	150.0	0.0	500.0	**$3,074.2**	ALMR	2,303.1	150.0	0.0	500.0	**$2,953.1**	ALMR	2,303.1	150.0	0.0	1,900.0	**$4,353.0**
ALMR Muni's	160.0	0.0	0.0	0.0	**$160.0**	ALMR Muni's	0.0	0.0	0.0	0.0	**$0.0**	ALMR Muni's	0.0	0.0	0.0	0.0	**$0.0**

Enterprise Technology Services Overview

- ETS' contribution to the Department's mission is to provide a robust and secure Information Technology (IT) infrastructure together with Enterprise Services that support state agencies' business needs and core missions

- ETS provides technology services to a wide array of Executive Branch agencies and has established its role as the state's primary Enterprise service provider through its optimization of IT operations using its primary data centers in Juneau, Anchorage and Fairbanks

- With all state agencies experiencing budgetary reductions, ETS has been driving toward reducing costs and maximizing SOA IT investments while fulfilling the Enterprise mission of modernization, innovation and technology expansion

- FY17 is the year of metrics by way of Key Performance Indicators (KPI's), Service Level Agreements (SLA's) and a future Balanced Scorecard approach to service delivery

ETS Core Services

- Security and Integrity of State Information

- Administration, management and maintenance of State Information Technology enterprise infrastructure (including the Wide Area Network/WAN) and its facilities

- Administration, management and support for Enterprise applications (Directory Services, Messaging, Voice, and Web Services

- Telecommunication Services

- Datacenter Operations (Juneau, Anchorage, Fairbanks)

- Server Hosting

- Backup, Disaster Recovery of IT systems and mission-critical data

- All of these services are moving under the new Office of Information Technology (OIT), within a new division called the Alaska Division of Information Technology (ADIT)

ETS Recent Cost Cutting Measures

Continuous efforts are underway to review commodity IT contracts statewide in order to leverage statewide purchasing power and ensure consistency across the enterprise. As opportunities are identified, the organization works collaboratively to negotiate the best pricing and terms available. Each of the statewide contract savings achieved results in savings to all state agencies.

Contract	Vendor	% Savings	$ Annual Savings
Core – Videoconference	GCI	37%	$122,568
Core – Telephone	GCI	48%	$2.50 Million
Core – Network	ACS	73%	$1.23 Million
Data Center	GCI	63%	$748,440
Wireless Devices & Service	GCI	45%	$603,120

Other ETS FY16-17 Accomplishments

Mainframe

- During calendar year 2016, ETS has been able to reduce software licensing on the mainframe platform by $300,000 without reduced functionality. ETS has also reallocated mainframe support staff and reduced the number of direct-support personnel by 37% (3 FTE's) representing a savings of close to $500,000.

Datacenter

- ETS negotiated a new contract with GCI for our primary State datacenter in Anchorage resulting in a 63% savings, or $750,000 annually. In the Juneau Data Center, ETS completed a critical $1,200,000 upgrade to its UPS complex and switching gear, replacing an obsolete UPS and providing stronger fail-over capabilities.

Performance Metrics: KPI's, SLA's & Balanced Scorecards

- ETS has identified a minimum of three (3) Key Performance Indicators (KPI's) for each functional area of the business. For those areas that have customer-impacting deliverables, Service Level Agreements (SLA's) have been identified

What is ALMR?

- Alaska's only enterprise, emergency, 7 x 24 x 365, **IP-based**, trunked communications system providing **public safety-grade** radio communications in Alaska since 2006

- A **mission critical network** that covers the **majority of Alaska's population centers**, its highway system, Kodiak, and most Southeast communities

- A network that consists of **83 ALMR** and **12 AWARN** sites

- Supports over **25,000 radios**, thousands of first-responders, and over **120 agencies**

- Operates in compliance with the FCC and uses a 'Multi-Frequency Waiver'

- An **interoperable system** linking State, DOD, Federal, Municipal and Local agencies

Who Uses ALMR?

- 22 State Agencies = 7,000 radios
  (e.g., DPS, DOT, DOC, DEC, DFG, DMVA, Air & Army National Guards, Railroad, Civil Air Patrol)

- 6 Department of Defense Agencies = 7,500 radios
  (e.g., U.S. Army, U.S. Air Force, U.S. Marine Corps, U.S. Corps of Engineers)

- 17 Federal Agencies = 1,500 radios
  (e.g., ATF, DEA, FBI, FAA, Homeland Security, FEMA, U.S. Marshals, NOAA, TSA, ICE)

- Municipal and Local Agencies = 9,000 radios
  Cities of Anchorage, Kenai, Fairbanks, Palmer, Wasilla, Seward, Soldotna, Homer
  Police Departments of all of the above plus Haines, Houston, North Pole, Valdez, Whittier
  Fire Departments of all of the above plus Anderson, Cantwell, Chena, Delta Junction, Ester, Gakona, Hope, McCarthy, Kenny Lake, Glennallen, Moose Pass, Nikiski, Tok, Tolsona, Tri-Valley
  School Districts of all major population areas

ALMR Operational Costs Down Significantly

FY15 Operational Contract Costs
- DOD   ~$1,550,000 (28%)
- SOA   ~$3,830,000 (72%)

          ~$5,380,000

FY15 Management Contract Costs
- DOD $ 54,000 (12%)
- SOA $396,000 (88%)

          $450,000

FY17 Operational Contract Costs
- DOD ~$1,300,000 (42%)
- SOA ~$1,800,000 (58%)

          ~$3,100,000

FY17 Management Contract Costs
- DOD $ 54,000 (18%)
- SOA $246,000 (82%)

          $300,000

A Note on Seeking Alternatives

There have been numerous attempts to seek alternatives to the current system at considerable cost to the State

- 2005 Total Cost of Ownership (prepared by Market Strategy Group, LLC)

- 2008 Total Cost of Ownership (prepared by 5 Star Team)

- 2008 System Design & Implementation Document (SDID) for Alaska Land Mobile Radio, Anchorage, AK with Appendix A, Separation Analysis (prepared by Motorola)

- 2009 Alaska Land Mobile Radio System Economic Analysis Report and Executive Study (prepared by Tecolote Research, Inc.)

- 2011 ALMR Feasibility Study - State of Alaska (prepared by World Wide Technology, Inc.)

- 2014 State of Alaska Telecommunications System (SATS) Analysis (prepared by Peak Signals Telecommunications in collaboration with World Wide Technology, Inc. Inc.)

"There are no viable alternatives, which provide the same level of service, security, interoperability and safety for public safety responders and to the citizens of Alaska, at a comparable or lesser cost."

Questions?

For more information on Department of Administration services, priorities, or other issues, please contact:

Minta Montalbo, Legislative Liaison

minta.Montalbo@Alaska.gov

465-2200