



**CITY OF FORT LAUDERDALE  
City Commission Agenda Memo  
REGULAR MEETING**

**#19-0398**

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**TO:** Honorable Mayor & Members of the  
Fort Lauderdale City Commission

**FROM:** Chris Lagerbloom, ICMA-CM, City Manager

**DATE:** May 7, 2019

**TITLE:** Motion to Approve Data Center Colocation Lease Space, Professional  
Services and Equipment - \$1,093,013 (includes five-year lease) -  
**(Commission Districts 1, 2, 3 and 4)**

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**Recommendation**

It is recommended that the City Commission approve colocation data center lease agreement with Flexential for an initial term of five years, based on Broward County Flexential (formally Peak 10) agreement in the amount of \$793,122, and to purchase equipment and professional services in the amount of \$299,891 from Insight Public Sector, Inc, via U.S. Communities Contract No. 4400006644 issued by the County of Fairfax, Virginia. The total estimated, not-to-exceed cost is \$1,093,013 for the initial 60-month term.

**Background**

The Information Technology Services department currently manages four data centers at City Hall, Police, Public Works and the emergency operations center ("EOC") that house critical electronic data, applications and Information Technology ("IT") assets ranging from the current payroll system to the new Enterprise Resource Planning platform.

It is imperative that the City maintains high data center standards for assuring the integrity and functionality of its hosted computer environment and provide effective business continuity, disaster recovery and security services. The data center industry trend is to consolidate and modernize data centers to take advantage of improved performance, energy efficiency, space reduction, security and capabilities of newer IT equipment.

The EOC data center was upgraded and modernized in 2018, however, the City Hall, Police and Public Works data centers no longer meet our needs. Exhibit 1 (attached) is a copy of the audit findings report. The data center infrastructures are not capable of supporting the City's current data center operations, business continuity, disaster recovery and security requirements.

With the lease of the colocation data center, a new IT infrastructure design will be implemented to consist of (1) a private cloud data center which consists of high-speed connections between the colocation and EOC updated data centers, (2) high-speed connections between the private cloud, and the Microsoft public cloud to create a modern centralized, optimized and secured hybrid cloud data center. The hybrid data center will provide the City with the option of leveraging private and/or public data centers based on application resource requirements, cost and security. The design will also focus on security to ensure the City's data center infrastructure is compliant with Criminal Justice Information Services ("CJIS"), Payment Card Industry ("PCI"), General Data Protection Regulation ("GDPR"), Supervisory Control and Data Acquisition ("SCADA") and Health Insurance Portability and Accountability Act ("HIPAA") security regulations.

List of consolidation and hybrid cloud benefits:

1. Remove the associated risks and high capital expenditure of approximately \$5M to repair the data centers and bring them in compliance with building codes, and standard data center operations. Repairs including, but not limited to, installing fire protection in the Police and Public Works data centers, replacing the City Hall, Police and Public Works data centers air conditioning systems, removing the asbestos from the City Hall data center ceiling, replacing the City Hall and Police generators, and repairing the City Hall raised floor and fortifying the windows.
2. Reduce the five-year expenditure by approximately \$600,000 to maintain all four data centers. Maintenance reduction includes but is not limited to; lower backup UPS battery and power module replacements, less air conditioning systems, reduce fire suppression, fewer generators to maintain and fuel.
3. Reduce the risk of physical damage to the City's IT assets and loss of critical data by moving into a facility that is built to withstand a category 5 hurricane.
4. The hybrid cloud design will allow for a more effective business continuity and disaster recovery plan for critical City data, applications and IT assets. Critical data will be stored in a private or public data center and be automatically replicated to another data center for disaster recovery purposes. The colocation data center will also provide high-speed, redundant and secure access to any of their 40+ data centers outside the state of Florida.
5. Reduce the cost of leasing office space by reusing the vacated data center spaces as office space for employees.
6. The hybrid cloud will also reduce the City's Cybersecurity risks by consolidating and reducing the number of data center IT assets that are required to be secured. The hybrid infrastructure will also be designed in compliance with the CJIS, PCI, GDPR, CJIS, SCADA and HIPAA security regulations.

7. Leasing data center space will significantly reduce staff operational overhead of managing and maintaining generators, electrical transfer switches, data center cooling systems, high voltage UPS, battery backup systems and FM 200 Fire Suppression systems.
8. Having a presence in the colocation data center will provide the City with direct access to a variety of telecommunications providers offering services at much more competitive rates. For example, internet access cost will be approximately 25% less annually. In the future, Information Technology Services (ITS) will also take advantage of more competitive rates for long distance telephone services and high-speed access to the Microsoft cloud.
9. The consolidation and reduction of data center equipment will also reduce the City's energy consumption (City goal 20% by 2020).

This colocation data center facility is also used by the Broward County and Broward Sheriff's Office Information Technology Departments. The procurement for the lease of the space was competitively bid by Broward County, including language allowing any government agency in Broward County to use. As such, with the approval of the budget amendment, unused available balances of \$365,007 will be transferred from various capital projects to the ITS operating budget. ITS will start the migration of the City Hall, Police, and Public Works data centers to the colocation data center facility located in Fort Lauderdale (5301 NW 33rd Ave) in preparation for the upcoming Hurricane season. Later an assessment will be done to migrate capable applications to the public cloud and an IT professional service company will be contracted to assist with the extensive assessment, planning and infrastructure redesign to accomplish the goal of consolidation and optimization.

It is recommended that the City Commission approve the data center colocation lease space, professional services and equipment to consolidate from four to two data centers. Leasing colocation space will remove the need to invest significant funds in repairs to overcome existing data center deficiencies. The implementation of a hybrid cloud data center is a more sustainable, cost effective and secure method of maintaining the City's critical data, applications and IT assets.

#### Cost to the City Breakdown

Monthly Lease (Flexential) .....	\$780,870 (\$13,014.50 per mo.)
One-time Setup Fee (Flexential) .....	\$12,252
One-time Equipment Cost (Insight) .....	\$199,931
One-time Professional Services (Insight) .....	\$99,960

Pursuant to Section 2-181(f)(5) Code of Ordinances of the City of Fort Lauderdale, Florida, the colocation data center lease and setup purchase will be made in accordance with Broward County Contract No. Peak10 Lease and Services Agreement, in the five-year amount of \$793,122, whereby such contract followed formal bid procedures of sealed written bids, public opening, and legal advertising.

Pursuant to Section 2-181(f)(5) Code of Ordinances of the City of Fort Lauderdale,

Florida, the purchase of equipment and consolidation professional services will be made in accordance with U.S. Communities Contract No. 4400006644 issued by the County of Fairfax, Virginia acting as lead agency from Insight Public Sector Inc., in the amount of \$299,891, whereby such contract followed formal bid procedures of sealed written bids, public opening, and legal advertising.

### **Resource Impact**

There is a current fiscal year impact in the amount of \$377,216 that is contingent upon Budget Amendment CAM # 19-0026. The referenced Budget Amendment transfers the required funds from CIP projects to the operating budget.

<b><i>Funds available as of March 21, 2019</i></b>					
<b>ACCOUNT NUMBER</b>	<b>INDEX NAME (Program)</b>	<b>CHARACTER CODE/ SUB-OBJECT NAME</b>	<b>AMENDED BUDGET (Character)</b>	<b>AVAILABLE BALANCE (Character)</b>	<b>PURCHASE AMOUNT</b>
581-ITS110101-3199	Unified Communication Services	Services & Materials/ Professional Services	\$2,211,830	\$850,732	\$99,960
581-ITS110101-3322	Unified Communication Services	Services & Materials/ Other Facilities Rental	\$2,211,830	\$850,732	\$77,325
581-ITS110101-6404	Unified Communication Services	Capital Outlay/ Computer Equipment	\$573,692	\$355,292	\$199,931
<b>TOTAL AMOUNT ►</b>					<b>\$377,216</b>

### **Strategic Connections**

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Internal Support Cylinder of Excellence, specifically advancing:

- Goal 11: Be a well-trained, innovative, and neighbor-centric workforce that builds community.
- Objective 4: Provide a reliable and progressive technology infrastructure
- Initiative 1: Implement the Information Technology Strategic Plan for improved operational efficiencies and increased employee productivity.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are United*.

### **Related CAM**

CAM 19-0026

### **Attachments**

Exhibit 1 – Data Center Audit Findings  
 Exhibit 2 – Flexential Lease Proposal and Quote  
 Exhibit 3 – Broward County Lease Agreement  
 Exhibit 4 – Insight Equipment Quote  
 Exhibit 5 – Insight Professional Services Quote

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