



Legislation Details (With Text)

File #: 24-0219 **Version:** 1

Type: Resolution **Status:** Adopted

File created: 2/19/2024 **In control:** Finance & Governance Committee

On agenda: 3/26/2024 **Final action:** 3/26/2024

Title: A resolution approving a proposed Amendatory Agreement between the City and County of Denver and Flexential LLC for continued use of offsite data center services.
Amends a contract with Flexential LLC to add \$10,000,000 for a new total of \$16,000,000 and 5 additional years for a new end date of 7-16-2029 for continued use of offsite data center services, citywide (TECHS-201947808-01/TECHS-202472217-01). The last regularly scheduled Council meeting within the 30-day review period is on 4-15-2024. The Committee approved filing this item at its meeting on 3-12-2024.

Sponsors:

Indexes: Anne Wallace, Lucas Palmisano

Code sections:

Attachments: 1. RR24-0219_TS_Resolution Request Form - Flexential 2024, 2. 24-0219 Filed Resolution_Flexential Colorado Corp 202472217-01, 3. 24-0219 Amendatory Agreement_Flexential Colorado Corp. 202472217-01, 4. 24-0219_, 5. 24-0219_signed

Date	Ver.	Action By	Action	Result
3/26/2024	1	City Council	adopted	Pass
3/26/2024	1	Council President	signed	
3/12/2024	1	Finance & Governance Committee	approved by consent	Pass

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 2-26-2024

Requesting Agency: TS
Division:

Subject Matter Expert Name: Joe Sapporito
Email Address: joseph.sapporito@denvergov.org
Phone Number:

Item Title & Description:

(Do not delete the following instructions)

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

A resolution approving a proposed Amendatory Agreement between the City and County of Denver and Flexential LLC for continued use of

offsite data center services.

Amends a contract with Flexential LLC to add \$10,000,000 for a new total of \$16,000,000 and 5 additional years for a new end date of 7-16-2029 for continued use of offsite data center services, citywide (TECHS-201947808-01/TECHS-202472217-01). The last regularly scheduled Council meeting within the 30-day review period is on 4-15-2024. The Committee approved filing this item at its meeting on 3-12-2024.

Affected Council District(s) or citywide?

citywide

Contract Control Number:

TECHS-201947808-01/TECHS-202472217-01

Vendor/Contractor Name (including any "DBA"):

Flexential LLC

Type and Scope of services to be performed:

Technology Services (TS) is requesting approval of a contract amendment which will extend our strategic partnership with Flexential Colorado Corp. (Flexential) for Data Center Colocation, Managed (Cloud) Services, and Professional Services. This partnership assists TS with its long-term strategies around infrastructure and Hybrid IT services.

Data Center Colocation Services:

These are services related to the housing of City infrastructure and equipment in a designated space within a secure Flexential facility. Flexential provides space where TS can install, operate, maintain, access, as well as transmit and receive to and from the City equipment.

Why Colocation Services?

- **Reliability.** Flexential colocation facilities offer redundant cooling, power and communication systems that ensure constant connection.
- **Performance.** IT equipment performs best in a constant cool temperature and a dust-free environment. City managed datacenters cannot provide this level of cooling and air filtration systems that the Flexential professional data center provides.
- **Security.** Flexential Colocation facilities are designed to ensure that City systems are protected from both physical and cyber-threats that can compromise the security of City information.
- **Reduced Maintenance.** Using a Flexential Colocation facilities the City no longer needs to maintain and support the complex and technical systems necessary to operate City managed datacenters. This allows for TS staff to innovate and provide better services to our customers.
- **Speed.** Flexential Colocation facilities offer cost-effective fast connections directly to multiple internet service providers to provide top performance and Internet redundancy in the event of connection interruption or overload.
- **Experience.** Flexential Colocation facilities have staff on-site consisting of the subject matter experts in the field of Datacenter operations and technology. These experts are hired to build, implement and maintain the best state of the art infrastructures utilizing high-performance equipment.
- **Cost and Space Savings.** City Operated Datacenters are one of the most expensive building spaces in cost per square foot. These spaces are in demand and can be more efficiently and effectively operated if they are repurposed.
- **Scalability.** Flexential colocation facilities offers the flexibility to grow-bigger or -smaller easily, while allowing

the City to pay for only the space and power used.

- **Risk Management.** Emergencies happen and standards/regulations/laws change, the Flexential Coloaction facilities are designed with the governances, redundancies and security in place to continue operations unaffected and protect City data.

Flexential Responsibilities:

Facility Infrastructure, Physical and Environmental Management

- Environmental - Flexential will provide redundant power and communications to reduce risk of system damage and destruction, including emergency shut-off, emergency power, emergency lighting, fire protection, water damage protection, and temperature/humidity controls.
- Video - Video surveillance of entry and exit points equipment space and operations monitoring.
- Access - Limit access to equipment space through role-based access, isolated phases, and validation procedures through identification, detection and alerting.
- Authorization Reports - Visitor and authorized access logs, monthly review of activity reports.

What is Managed Cloud Services? “Cloud Services” means Services related to an information technology system, operated, maintained, and housed by Flexential. This system is comprised of software and hardware including data storage, physical computing equipment (hosts), and networking components.

Why Managed Cloud Services?

- Contracting with Flexential provides competitive, predictable monthly costs.
- As Government regulations, technologies, financial conditions and markets all change at a rapid pace, Flexential partners with TS as they will share the management of these risks.
- Having Flexential manage these services allows TS to dedicate its staff to other projects.
- Should the City choose to use Flexential for Managed Cloud Services, Flexential will assist TS with Data Migration Services. Data Migration is the process of moving City data from one of its locations to a Flexential location.

Location (if applicable):

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts):

Are WBE/MBE/DBE goals met (if applicable)?

Is the contract new/a renewal/extension or amendment?

Was this contractor selected by competitive process or sole source?

Competitive process

For Amendments/Renewals Extensions:

<i>Current Contract Amount (A)</i>	<i>Additional Funds (B)</i>	<i>Total Contract Amount (A+B)</i>
\$6,000,000	\$10,000,000	\$16,000,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
7/16/2019 - 7/16/2024	Five Years	7/16/2029