

Agenda Report

December 5, 2022

TO: Honorable Mayor and City Council

FROM: Department of Information Technology

SUBJECT: AUTHORIZATION TO EXTEND CONTRACT 21296 WITH COGENT COMMUNICATIONS, INC. FOR DATA CENTER COLOCATION AND NETWORK SERVICES

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the recommended actions are exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines per Section 15061 (b) (3), the "common sense" provision that CEQA only applies to projects that may have an effect on the environment;
2. Authorize the City Manager to extend contract 21296, without competitive bidding pursuant to City Charter Section 1002(F), contracts for professional or unique services, with Cogent Communications, Inc., for data center colocation and network services in an amount not to exceed \$1,250,000 over five years beginning March 1, 2023; and
3. Grant the proposed contract an exemption from the Competitive Selection process pursuant to Pasadena Municipal Code Section 4.08.049(B) contracts for which the City's best interests are served.

BACKGROUND:

The Department of Information Technology (DoIT) is responsible for citywide information technology operations and support services critical to maintaining the business operations of the City. At the core of DoIT's operations are the physical systems and equipment which must be securely housed, operated, and maintained in a highly available and resilient data center facility from which these critical technology services are delivered.

On February 4, 2013, City Council approved a contract, 21296, with Cogent Communications, Inc. for an initial period of one year in an amount not to exceed \$250,000 and four additional one-year extensions at \$250,000 annually to provide data center services. Subsequently on December 4, 2017, City Council authorized a five-year extension of the contract through February 28, 2023, and increased the contract not-to-exceed by \$1,250,000 to \$2,500,000.

The Cogent facility is the only commercial data center colocation facility in the City of Pasadena that provides the redundancy levels required by DoIT. DoIT staff has been pleased with the facility and the service provided by Cogent over the course of the current contract. The facility offers the highest levels of redundancy, availability, resiliency, and associated services expected at their industry level. Additionally, Cogent's own Tier I network backbone and the City's fiber optic network ensure the highest quality and availability of network bandwidth and service to the Internet. DoIT has provisioned additional Internet access through the Cogent network, guaranteeing the City has redundant paths to the Internet for the City's critical applications and technology-based services.

Given this, it is in the City's best interest to continue the contract with Cogent Communications, Inc. Not renewing this contract would require finding another suitable location to move City systems and equipment, and would entail an extensive planning and execution effort. When the City moved into the Cogent facility in 2013, the costs exceeded \$539,082, including the cost of more than 3,000 hours of staff time. Another relocation would incur similar costs. Additionally, the Cogent facility is the only commercial data center in Pasadena that meets DoIT's requirements and has comparable rates as other commercial data centers in the Los Angeles region.

There are currently no other open contracts with Cogent Communications, Inc.

COUNCIL POLICY CONSIDERATION:

Extending the contract with Cogent Communications, Inc. promotes the City Council's goals to improve, maintain and enhance public facilities and infrastructure by locating the City's critical computer systems in a professionally managed, secure, and state-of-the-art data center facility. By utilizing a facility located in Pasadena this contract continues to promote the City Council goal to support and promote the local economy.

ENVIRONMENTAL ANALYSIS:

The actions proposed herein are exempt from the CEQA pursuant to State CEQA Guidelines Section 15061 (b)(3), the "common sense" provision of CEQA (formerly the general rule), which applies to projects which may have the potential for causing a significant effect on the environment. The approval to extend and add funding to an existing contract will not have a significant effect on the environment.

FISCAL IMPACT:

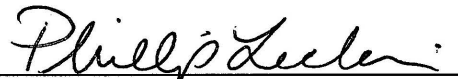
This action will increase the Contract (21296) with Cogent Communications, Inc. by a maximum of \$1,250,000 over five years.

Annual funding for this action will be addressed by the utilization of existing budgeted appropriations in account 50114000-810600. It is anticipated that \$80,000 of the cost will be spent during the current fiscal year. The remainder of the costs will be spent over the next five fiscal years, FY2024-FY2028. There are no indirect or support costs anticipated as a result of this contract.

The following table presents an overall contract summary for the five-year period:

FY2023 Contract Amount	\$ 80,000
Future Contract Amount	\$ 1,170,000
Total Fiscal Impact	\$ 1,250,000

Respectfully submitted,


Phillip Leclair
Chief Information Officer
Department of Information Technology

Prepared by:


Serjik Arzoumanians
Assistant Chief Information Officer

Approved by:


MIGUEL MÁRQUEZ
City Manager

Attachment A – Taxpayer Protection Amendment