

**THIS IS A PROPOSED DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED
ORDINANCE OR RESOLUTION ADOPTED BY THE CITY COUNCIL.**

ORDINANCE

**AUTHORIZING THE CITY OF SAN ANTONIO TO ENTER INTO A
LEASE AGREEMENT WITH CPS ENERGY FOR 2,400 SQUARE FEET
OF DATA CENTER FLOOR SPACE.**

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WHEREAS, the City has two data centers, the Downtown Data Center and the South Data Center, that support the City's broadband network and provide the City with internet connectivity, computing and network infrastructure; and

WHEREAS, the data centers are mission critical sites operated and maintained by the Information Technology Services Department (ITSD) that support Public Safety systems, critical business systems such as SAP, BuildSA, and 311, as well as day-to-day operations for all City departments; and

WHEREAS, in 2018, ITSD assessed the feasibility of remodeling the Downtown Data Center, building a data center in a new location or leasing data center space; and due to the anticipated expansion along Frio street by UTSA-Downtown, remodeling the current data center was not recommended; and

WHEREAS, the assessment also determined that building a data center at City Towers would have required extensive renovation to the building to add uninterruptible power systems, cooling systems, and redundant generators and fuel tanks; ITSD also assessed commercially available data center leasing options; and

WHEREAS, CPS Energy's data center was identified as the optimal site as it met the City's criteria; and

WHEREAS, this ordinance will authorize a lease agreement between the City and CPS Energy for the City's lease of 2,400 square feet of data center floor space in CPS Energy's Data Center; and

WHEREAS, upon lease signing, a one-time lump sum for contribution towards construction of the space in the amount of \$650,000 is due; funding for construction is available from Tax Notes and is included in the FY 2020 – FY 2025 Capital Improvement program; in FY 2021, 10 months of rent will be incurred for a total of \$568,304; funding for lease costs is included in the FY 2020 ITSD Operating Budget; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The Lease Agreement between the City of San Antonio and CPS Energy for the lease of 2,400 square feet of data center floor space in CPS Energy's Data Center is approved. A

RP

xx/xx/2020

Item No.

copy of the Lease Agreement is attached hereto and made a part of this Ordinance as **Exhibit A**.

SECTION 2. The City Manager or designee is hereby authorized to execute any and all documents necessary to fulfill the purpose and intent of this Ordinance.

SECTION 3. Funding for construction is available from Tax Notes and is included in the FY 2020 – FY 2025 Capital Improvement program. In FY 2021, 10 months of rent will be incurred for a total of \$568,304. The annual recurring costs are \$723,360 with a yearly 1.5% escalation fee. Funding for lease costs is included in the FY 2020 Information Technology Services Department Operating Budget. Additional annual recurring costs will be an operating expense funded from the Information Technology Services Department Operating Budget and is subject to City Council appropriation through the annual budget process.

SECTION 4. This Ordinance shall become effective immediately upon the passage by eight (8) votes of the City Council and if passed upon fewer than eight (8) votes after the tenth (10th) day after passage thereof.

PASSED AND APPROVED this 17th day of September 2020.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Tina J. Flores, City Clerk

Andrew Segovia, City Attorney