

Condensed Title:

A Resolution Waiving By 5/7ths Vote, The Formal Competitive Bidding Requirements And Authorizing The City Manager, Or Her Designee, To Negotiate And Execute An Agreement With Terremark North America, Inc., In An Amount Not To Exceed \$328,560, For A Period Of One (1) Year, To Provide Internet Access, Managed Router Services And Hardware Co-location Space At The Network Access Point (NAP) Of The Americas Data Center Facility.

Key Intended Outcome Supported:

Improve Process through Information Technology

Supporting Data (Surveys, Environmental Scan, etc.): N/A

Issue:

Shall the Commission adopt the resolution?

Item Summary/Recommendation:

The City of Miami Beach Information Technology (IT) Department has been using Terremark North America, Inc., since 1999 for 100 and 260 square foot of hardened Category 5 rated co-location space at the Network Access Point (NAP) of the Americas Data Center Facility authorized pursuant to a piggyback memo approved by the City Manager for use of Miami-Dade County Contract 7662-4/10, for Internet Access and Managed Router Services. The City can no longer utilize this contract as the Board of Miami-Dade County Commissioners authorized the continued use of the above mentioned contract as a bid waiver, which is not permissible as a "piggyback" per the Miami Beach City Code Section 2-369. The Code only allows us to piggyback contracts that have been authorized pursuant to a competitive bid. Terremark North America, Inc., will extend to the City, the same pricing that is offered to Miami-Dade County. This space at the NAP serves as an off-site disaster recovery and production datacenter location for the City's critical server/network, and public safety infrastructure and overall connectivity to the internet. Due to their mission critical nature, the City must secure the most reliable services offered, which are available at the NAP. It is prudent for the City's Data Center to be located at the NAP as the City is located in a barrier island with no facility that has this type of infrastructure suitable for this purpose.

The Administration recommends that the City Commission adopt the attached Resolution, which recommends a waiver of the competitive bidding process, by 5/7ths vote, finding such waiver to be in the best interest of the City, and further authorizing the City Manager, or her designee, to negotiate and execute an agreement with Terremark North America, Inc., in an amount not to exceed \$328,560, for a period of one (1) year, to provide internet access, managed router services and hardware collocation space at the Network Access Point (NAP) of the Americas Data Center facility.

Advisory Board Recommendation:

N/A

Financial Information:

Source of Funds:		Amount	Account
	1	\$328,560	550-0640-000323
OBPI	Total	\$328,560	

Financial Impact Summary:

City Clerk's Office Legislative Tracking:

Sign-Offs:

Department Director	Assistant City Manager	City Manager
GG RA	PDW	KGB

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MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Kathie G. Brooks, Interim City Manager 

DATE: November 14, 2012

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, WAIVING BY 5/7THS VOTE, THE FORMAL COMPETITIVE BIDDING REQUIREMENTS, FINDING SUCH WAIVER TO BE IN THE BEST INTEREST OF THE CITY, AND AUTHORIZING THE CITY MANAGER, OR HER DESIGNEE, TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH TERREMARK NORTH AMERICA INC., IN AN AMOUNT NOT TO EXCEED \$328,560, FOR A PERIOD OF ONE (1) YEAR, TO PROVIDE INTERNET ACCESS, MANAGED ROUTER SERVICES AND HARDWARE CO-LOCATION SPACE AT THE NETWORK ACCESS POINT (NAP) OF THE AMERICAS DATA CENTER FACILITY**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

KEY INTENDED OUTCOMES SUPPORTED

Improve Process through Information Technology

BACKGROUND

Terremark North America, Network Access Point (NAP) of the Americas Data Center Facility is one of the most significant telecommunications centers in the world. The facility was the first purpose-built, carrier-neutral Network Access Point and is the only facility of its kind located within our immediate geographical area.

Terremark's NAP of the Americas makes Miami the only city in the U.S. where major communications traffic from various domestic and international companies is handed off in a single location. The NAP of the Americas is located in downtown Miami, it provides secure hosted facilities, floor space, enterprise grade cooling and electrical power for IT systems from multiple providers. Additionally, the NAP has the ability to self-sustain itself (due on-site fuel stores) for up to two weeks without the need of replenishment of resources; also, they are on the priority list for fuel replenishment during catastrophic events. The convergence of telecommunications infrastructure is why the Federal Government and municipalities have chosen the NAP as its hosting provider. This unique facility provides both private industry and government clients with a secure, reliable carrier-neutral facility with direct network access to the world's major communications carriers.

The City of Miami Beach Information Technology (IT) Department moved to the NAP Center in 2005, and acquired a 100 square foot hardened CAT5 rated co-location space for disaster recovery.

As a result of a Business Continuity Analysis conducted in 2007, IT acquired an additional 260 square foot of co-located space to move all of its production IT infrastructure inclusive of data storage equipment in order to gain the advantages and cost efficiencies associated with the superior network connection infrastructure available there, and to safeguard certain network infrastructure as part of its disaster recovery plan. The connectivity provided through Terremark at the NAP cannot be assumed by another facility without severe service disruptions and additional infrastructure costs to the City. The implementation of overall project was a two-year endeavor which initially included the following:

- Secured a 360 sq. ft. cage locations at the NAP;
- Secured high speed Internet connectivity for citywide internet use;
- Secured multiple network fiber connections to the NAP from multiple City Facilities for availability;
- Configured the main networking equipment for connectivity to the City;
- Relocated the City's Internet and Intranet Web Servers to the NAP;
- Relocated the City's Email and Security Gateway devices to the NAP;
- Relocated all Public Safety production systems;
- Relocated all Citywide production systems;
- Relocated the City's Storage Area Network Equipment where all the City's data is stored;
- Enhanced the City's Backup and Recovery Strategy;
- Day to Day Operations of 220 Physical and Virtual Server Environments.

It is prudent to have the City's Data Center at the NAP since the City is a barrier island with no City facility that has this type of infrastructure suitable for this purpose. Also, the City's Emergency Operations Center (EOC) has a small IT closet where we maintain certain critical systems that would be required in the event connectivity to the NAP is interrupted during a catastrophic event. The NAP facility is also leveraged for EOC related activities that have been coordinated with the City's EOC Manager. The NAP serves as a production datacenter location for the City's critical server/network, and public safety infrastructure and overall connectivity to the internet. Due to their mission critical nature, the City must secure the most reliable services offered, which are available at the NAP.

In addition to the physical reliability offered during and after a disaster, gaining access to the Internet through the NAP provides the City with a level of service redundancy that it could not achieve on its own without incurring significant costs. This is the primary result of the multiple Internet Service Providers (ISP's) that are located at the NAP, which provides backup capability in the event of specific ISP failure. If the City were not accessing the Internet backbone through this facility, it would have to establish separate connections with multiple ISPs to obtain the level of reliability that it currently experiences.

This co-location facility is host to the Federal government's USAF Southern Command, as well as numerous other organizations such as Miami-Dade County and other municipalities. It is important to note that five (5) other companies provide similar IT Disaster Recovery Services off the State of Florida Contract; however, their hosting facilities are located out of region and are not within close proximity to the City. The State of Florida pricing is comprised of primarily Disaster Recovery type services which does not map to our current needs. The City is currently utilizing the existing NAP location as its production data center for all critical City systems; as a result, it is imperative that our data center be in close proximity to the City for support of day to day operations. In FY10/11, an independent analysis was conducted by John D. Gardiner, a member of the Budget Advisory Committee in which he concluded that "the pricing was excellent and hard to beat".

ANALYSIS

The City of Miami Beach Information Technology (IT) Department has been using the Terremark North America, Inc., since 2005 authorized pursuant to a piggyback memo approved by the City Manager for use of Miami-Dade County Contract 7662-4/10, for Internet Access and Managed Router Services. The City can no longer utilize this contract as the Board of Miami-Dade County Commissioners authorized the continued use of the above mentioned contract as a bid waiver which is not permissible as a "piggyback" under the Miami Beach City Code Section 2-369. The Code only allows us to piggyback contracts that have been authorized pursuant to a competitive bid.

Therefore, the Administration is requesting that the Mayor and Commission waive by a 5/7ths vote, the formal competitive bidding requirements, finding that such waiver to be in the best interest of the City, and authorizing the City Manager, or her designee, to negotiate and execute an agreement with Terremark North America, Inc., in an amount not to exceed \$328,560 for a period of (1) year to provide internet access, managed router services and hardware co-location space at the Network Access Point (NAP) of the Americas Data Center Facility.

Terremark North America, Inc., has committed to extend to the City, the same pricing that is offered to Miami-Dade County for the next twelve months. However, the NAP has recently been acquired by Verizon and is currently renegotiating contracts with GSA. As a result, Verizon cannot extend pricing to us beyond the 12 months but has committed to us that their GSA agreement, when completed will be at equal or lower prices.

CONCLUSION

The Administration recommends that the City Commission adopt the attached resolution.