

DATA CENTRE AGREEMENT EXTENSION

Recommendation

1. That a single source agreement between the City of Edmonton and Rogers Communications Canada for the purchase of data centre colocation services, as outlined in Attachment 1 of the February 28, 2024, Financial and Corporate Services report FCS02235, be approved, and that the agreement be in form and content acceptable to the City Manager.
2. That Attachment 1 of the February 28, 2024, Financial and Corporate Services report FCS02235 remain private pursuant to sections 24 (advice from officials) and 25 (disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*.

Requested Action		Committee decision required	
ConnectEdmonton's Guiding Principle		ConnectEdmonton Strategic Goals	
CONNECTED This unifies our work to achieve our strategic goals.		N/A	
City Plan Values	ACCESS		
City Plan Big City Move(s)	Catalyze and converge	Relationship to Council's Strategic Priorities	Conditions for service success
Corporate Business Plan	Managing the corporation		
Council Policy, Program or Project Relationships	● N/A		
Related Council Discussions	● N/A		

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Executive Summary

- The City of Edmonton currently has a contract with Rogers Communication Canada Inc. (Rogers) for data centre services, expiring on October 31, 2024.
- Administration is recommending a single source agreement with Rogers for data centre services with a term of up to 10 years. This agreement covers both the primary and secondary data centres at the City.

REPORT

A data centre is a critical asset for the operation of the City of Edmonton's services and is required to store, assemble, process and disseminate large amounts of data across City networks, providing the infrastructure backbone for all digital activity in the organization.

The City of Edmonton relocated its primary and secondary data centres to Rogers-owned and operated facilities in 2018/2019. The process took 10 months at a cost of approximately \$9 million. The moves were executed to maintain reliable operations for the City's applications. Facilities were selected through a competition among pre-qualified data centre providers and the current agreement expires October 31, 2024.

Justification for Single Source Request

The RFP process undertaken to arrive at the current agreement revealed a limited market for data centres that could meet the City of Edmonton's requirements within reasonable distance to the city. Renewing with Rogers protects the City from service disruptions as well as potential cost escalations due to certainty in the agreement. Relocating to a new facility would also incur \$8-10 million in operating and capital costs, plus additional fibre installation costs.

Budget/Financial Implications

The requested amount, as outlined in Attachment 1, does not constitute a new budgetary request. These amounts are already in the existing Open City and Technology Branch budget in the 2023-2026 budget cycle.

Legal Implications

As per City Administration Bylaw 16620, agreements over \$1,000,000 that do not arise from a competitive procurement process must be approved by the appropriate Committee of Council.

The City is subject to trade agreements that require an open competitive process for procurements of this value, unless a trade agreement exemption applies. Additional legal implications are included in Attachment 1.

Community Insight

Public engagement and/or research were not completed for this recommendation. The recommendation is founded on a business case approach which seeks to minimize risk and expenditures for the City in pursuit of reliable service delivery.

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GBA+

The City's services are increasingly delivered using a combination of in-person and digital channels. Digital services, which includes the City's Open City Wi-Fi network, increase access for all Edmontonians as they interact with City services and their community.

Risk Assessment

Risk Category	Risk Description	Likelihood	Impact	Risk Score (with current mitigations)	Current Mitigations	Potential Future Mitigations
If recommendation is not approved						
Information Systems and Technology	Moving data centres will create service disruptions	4	4	16	Retain current location	Long-term plan towards Cloud migration
Information Systems and Technology	Moving data centres will delay other technology priority projects	3	5	15	Retain current location	Long term plan towards Cloud migration

Attachment

1. Data Centre Agreement Additional Details - PRIVATE