

1 [License with UnitedLayer to Use Property - 200 Paul Street]

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3 **Resolution authorizing the license of space and services with UnitedLayer at 200 Paul**
4 **Street for the Department of Technology.**

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6 WHEREAS, The Department of Technology operates the City's critical need data
7 center operations in leased space at One Market Plaza; and

8 WHEREAS, The Department of Technology reports that One Market Plaza no longer
9 physically meets the infrastructure needs of the City; and

10 WHEREAS, The lease at One Market Plaza is to be terminated soon; and

11 WHEREAS, The City has the need for 40 server racks, in addition to mainframes and
12 other large free standing equipment to be located in secure, mission critical facilities; and

13 WHEREAS, The Committee on Information Technology ("COIT") through a unanimous
14 vote on October 21, 2010 recommended the consolidation of mission critical IT systems in
15 reliable and appropriate facilities in order to

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- 17 • Achieve economies of scale
 - 18 • Enhance physical security
 - 19 • Improve the quality of management of equipment
 - 20 • Improve reliability of operating conditions in terms of power, cooling and fire
21 suppression
 - 22 • Improve disaster preparedness and recovery
 - 23 • Reduce carbon emissions; and

24 WHEREAS, COIT recommends that the City's critical infrastructure be located in Tier II
(as determined by the Uptime Institute) facilities or better; and

25 WHEREAS, The proposed License, among many other data needs, will serve

- 1 • The City's websites
- 2 • The City's email system
- 3 • The Controller's FAMIS & payroll equipment
- 4 • The State of California's CLETS, AFIS and JUSTIS equipment; and

5 WHEREAS, UnitedLayer, Inc. provides build out infrastructure and space with power
6 distribution, cooling, fire suppression, for large data processing requirements with 24/7
7 maintenance and servicing and is the only HRC 12B compliant vendor at 200 Paul; and

8 WHEREAS, The Department of Technology's consultant, California Data Center
9 Design, has reviewed the proposed transaction and has confirmed, considering all factors,
10 that the proposed terms and conditions are fair market value; and

11 WHEREAS, The Department of Technology recommends the proposed license as the
12 best facility to meet COIT's recommendations and the needs of the City's main data center;
13 and; now, therefore, be it

14 RESOLVED, That in accordance with the recommendation of the Director of the
15 Department of Technology, the Director of Property is hereby authorized to take all actions on
16 behalf of the City and County of San Francisco, as Licensee, to execute a license (copy of the
17 proposed license is on file with the Clerk of the Board) with UNITEDLAYER, INC., a California
18 corporation ("Licensor")), for server racks and space in the building commonly known as 200
19 Paul Street, San Francisco, California, for the areas on the first and fifth floors as more
20 particularly described in the License (the "Premises") on the terms and conditions set forth
21 herein, and on a form approved by the City Attorney; and, be it

22 FURTHER RESOLVED, That the License shall be for a term of five (5) years
23 commencing February 1, 2011. The License shall be terminable by the City without cost after
24 January 31, 2013 with 9 months advance notice. The initial base rent shall be \$147,515.00
25 per month, and beginning February 1, 2012, the base rate shall be annually increased by four

1 (4) percent. The Licensor shall pay for utilities, janitorial services, and building maintenance
2 and repairs except for the separately-metered electricity used in the 5th floor premises; and,
3 be it

4 FURTHER RESOLVED, That the City shall have the option to increase or reduce the
5 by up to six (6) server racks in the 1st floor premises based on the cost schedule contained in
6 the License.

7 FURTHER RESOLVED, That the License shall include a clause, indemnifying, holding
8 harmless, and defending Licensor, other related parties, and its agents from and against any
9 and all claims, costs and expenses, including without limitation, reasonable attorneys' fees,
10 incurred as a result of any default by the City in the performance of any of its material
11 obligations under the License, or any negligent acts or omissions of the City or its agents, in,
12 on, or about the Premises or the property on which the Premises are located, excluding those
13 claims, costs and expenses incurred as a result of the negligence or willful misconduct of the
14 License or its agents; and, be it

15 FURTHER RESOLVED, That all actions heretofore taken by the officers of the City
16 with respect to such License are hereby approved, confirmed and ratified; and, be it

17 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
18 Property to enter into any amendments or modifications to the License (including, without
19 limitation, the exhibits) that the Director of Property determines, in consultation with the City
20 Attorney, are in the best interest of the City, do not increase the rent or otherwise materially
21 increase the obligations or liabilities of the City, except in the case where the City increases
22 the number of server racks, are necessary or advisable to effectuate the purposes of the
23 License or this Resolution, and are in compliance with all applicable laws, including the City
24 Charter; and, be it

1 FURTHER RESOLVED, That the City shall occupy the entire Premises for the full term
2 of the License unless funds for the Department of Technology's rental payments are not
3 appropriated in any subsequent fiscal year at which time the City may terminate the License.
4 Said License shall be subject to certification as to funds by the Controller, pursuant to Section
5 6.302 of the City Charter.

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7 \$737,575.00 Available (5 mos.@ \$147,515.00)
8 Project: PTI001
9 Index Code: 750600

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 Controller

12 **RECOMMENDED:**

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16 Department of Technology

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18 **RECOMMENDED:**

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20 _____
21 Director of Property
22 Real Estate Division
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