



# STAFF REPORT

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**Meeting Type:** City Council  
**Meeting Date:** March 18, 2024  
**From:** Gregory Brewster, IT Director  
**Subject:** IGA with Clackamas County for CBX Server Services

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## **DECISION TO BE MADE:**

Whether to authorize the City Manager to execute an Intergovernmental Agreement (IGA) between the City of Sandy (City) and Clackamas County (County) for Gunderson and Colorado Road Fiber-to-the-home Server Services (Project).

## **PURPOSE / OBJECTIVE:**

The purpose of the IGA is to establish a formal agreement that is essential to the completion of the currently under construction Gunderson and Colorado Rd Fiber-to-the-home Project. It is proposed that the City provides server hosting space and an internet connection for the County to access and manage its electronic equipment. The equipment services as an out-of-band management service, so that the County may access its equipment remotely.

## **BACKGROUND / CONTEXT:**

In 2023, the Sandy City Council approved an amendment to an already existing IGA between the City of Sandy and Clackamas County for providing broadband service outside of Sandy's city limits. That amended IGA was originally signed in 2019, and the 2023 amendments enabled the City of Sandy's Telecommunications Department, SandyNet, to act as a broadband operator for already defined and approved build areas, which are constructed and maintained by Clackamas County's Broadband eXchange Department (CBX).

CBX has utilized its own American Rescue Plan Act (ARPA) dollars to identify and build out underserved areas within Clackamas County. CBX is not an Internet Service Provider (ISP) and cannot provide broadband services across their fiber network. CBX must partner with other ISPs to provide broadband service across their network, to households. The model that CBX has adopted for delivery is often referred to as an Open Access Network, meaning that middle and last mile facilities are handled by the County, and the broadband or lit service is handled by other organizations, typically ISPs. The 2019 IGA enabled SandyNet to operate as an ISP across CBX fiber-to-the-home facilities.

The term Open Access Network is used to describe a broadband service delivery model. Some open access networks are passive, where the fiber owner/operator simply provides dark fiber for an ISP to utilize to the home, while other forms place more responsibility on the owner/operator, where that ownership now extends to the modem installed within each home. For the Colorado and Gunderson Rd

deployments under the 2023 IGA revision, CBX has decided that they intend to operate the optical equipment both in the home and in the datacenter, a task that SandyNet has in the past handled. CBX must operate and install software to configure and operate that equipment, and therefore must run servers and have remote access to their systems. CBX has asked SandyNet to host the physical systems and maintain software updates on the server operating systems.

## **KEY CONSIDERATIONS / ANALYSIS:**

Key considerations for this IGA focus on two areas, the scope of services and SandyNet compensation.

### Scope of Services

CBX has already purchased a server and all the necessary software needed to run the open access network. The responsibilities of the City are clearly defined to only allow for the hosting and patching of relevant systems and servers within the scope of the Project. The City is in no way responsible for configuring or operating the software on the servers, and only operates to ensure that the servers remain online and accessible. The City of Sandy already achieves a low cost for physical system maintenance, given its existing data center and extensive network infrastructure. The scope of services includes simple network requirements, such as an internet connection and remote access for CBX employees to access an isolated CBX network. Operating system requirements require SandyNet staff to reboot the machine periodically to install the latest operating system patches. Details for City responsibilities are laid out in Section 4 of the IGA.

Section 4 also includes limits on the City's responsibilities and prevents the City from handling any software used to configure equipment within the CBX network.

### Compensation to the City

Compensation, as defined in Section 5 of the IGA, indicates that CBX will compensate the City of Sandy for its services at a defined rate of \$225 a month. The section also includes the opportunity for both the SandyNet and CBX departments to exchange services in lieu of a monthly check. Costs for the City to host and maintain internet access for CBX are outlined in the next section.

## **BUDGET IMPACT:**

The budgetary impact is listed as both one-time services and recurring operational costs for service.

### Turn Up and One Time Costs

Since the City is not responsible for providing any hardware, the only set up and one-time costs are employee's time to mount the equipment and install the operating systems. The cost of mounting and configuring the server and networking equipment equates to one hour of time for both the Network Engineer and Jr. Network Engineer. The configuration of the hypervisor requires two hours for the Network Engineer to complete and document. The configuration and operating system installation for three virtual machines will take less than five hours total. The total cost for equipment turn-up and initial configuration is expected to be less than \$1,200.

### Recurring Costs

Monthly recurring costs for the service include broadband, power, and the employee time required to update and verify each system. It is expected that electrical costs will be less than \$30 a month, broadband is expected to cost less than \$5 in usage and \$10 for a single static public IP address. Finally, less than one hour of an employee's time is expected each month to run a system update and or reboot a system when necessary. Operational costs for the system are expected to be lower than \$110 a month.

### **RECOMMENDATION:**

Staff respectfully requests that the City Council authorize the City Manager to enter into an IGA with Clackamas County for CBX Server Services.

### **SUGGESTED MOTION LANGUAGE:**

"I move to authorize the City Manager to enter into an intergovernmental agreement with Clackamas County for the delivery of server services pertaining to the Colorado and Gunderson Rd fiber-to-the-home project."

### **LIST OF ATTACHMENTS / EXHIBITS:**

- Attachment A – Intergovernmental Agreement Between City of Sandy and Clackamas County