ICMA

Leaders at the Core of Better Communities

2015 Local Government Excellence Awards Program
Program Excellence Awards Nomination Form
(All programs nominated must have been fully operational for a minimum of 12 months, prior to January 31, 2015)

Deadline for Nominations: March 3, 2015

Complete this form (sections 1 and 2) and submit with your descriptive narrative.

SECTION 1: Information About the Nominated Program

Program Excellence Award Category *(select only one)*:

- ☐ Community Health and Safety
- ☒ Community Partnership
- ☐ Community Sustainability
- ☐ Strategic Leadership and Governance

Name of program being nominated: Wē̄Connect®

Jurisdiction(s) where program originated: City of Westerville, Ohio

Jurisdiction population(s):   37,000

Please indicate the month and year in which the program you are nominating was fully implemented. (Note: All Program Excellence Award nominations must have been fully implemented for at least 12 months prior to January 31, 2015, to be eligible. The start date [on or before January 31, 2014] should not include the initial planning phase.)

Month: December   Year: 2010

Name(s) and title(s) of individual(s) who should receive recognition for this award at the ICMA Annual Conference in Seattle, Washington, September 2015. (Each individual listed MUST be an ICMA member to be recognized.):

Name: David A. Collinsworth

Title: City Manager   Jurisdiction: City of Westerville

Name: Julie Colley

Title: Assistant City Manager   Jurisdiction: City of Westerville

Name: Todd D. Jackson

Title: Chief Information   Jurisdiction: City of Westerville
                         Officer

SECTION 2: Information About the Nominator/Primary Contact

Name of contact: Todd D. Jackson

Title: Chief Information   Jurisdiction: City of Westerville
                         Officer

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Problem Assessment

Business and community partners in the City of Westerville experienced the same economic challenges taking place across the globe. The City needed to explore ways to reduce costs and differentiate itself when competing for job opportunities for its residents. Anticipating that the needs of businesses will continue to change rapidly, particularly in information technology infrastructure, the City conceived a model where none previously existed: the nation's first municipal community data center. WēConnect® is the first of its kind to fully pair technology-focused business essentials—security, fiber, data center, and cost-effective solutions—with public resources. This innovative public-private partnership approach allows businesses and community partners to take advantage of a new suite of services, which are affordable, secure, fast, efficient, reliable and flexible, to protect their data and technology.

Program Development

In 2006, staff from the City Manager's Office, Information Systems, Planning & Development and the Electric Division, developed a conceptual plan to expand the City's underground conduit system to create a diverse, redundant, and accessible, carrier neutral communication network. Now known as WēConnect®, the network for telecommunications and managed/cloud services providers was established to ensure telecommunication and data center services were accessible to business and institutional users on a competitive and cost-effective basis. Further, WēConnect® was designed to protect the City's data and assets, promote economic growth and social development as well as preserve infrastructure by minimizing work conducted in the right-of-way without creating additional tax burden.

Over the next several years, key technology and economic development staff worked together with subject matter experts, to develop a Fiber Business Plan. Presented to Westerville

City Council in February 2009, the Fiber Business Plan called for significant expansion of the existing conduit system throughout the City, touching all business sectors in order to provide diversity of fiber connections and promoting redundancy and reliability of the existing network.

The community data center, coupled with the fiber network, provided the critical "last mile" connectivity to Westerville businesses. It also offered government, community partners and businesses the advantages of data center connectivity, security and related managed as well as cloud services while operating with reliable similarity to a municipal utility. Designed as a public-private partnership, the city is enhancing, rather than competing with, what the private sector offers the community. The city provides the infrastructure while the private sector provides the services.

Program Implementation

Fully understanding and endorsing this vision, Westerville City Council approved the initiative and staff completed the Community Data Center Business Plan in March 2010. This plan integrated information gleaned from multiple interviews with local businesses and community partners, including Otterbein University, Westerville City Schools, the Westerville Public Library and the Westerville Chamber of Commerce, to determine the level of interest in data center and fiber connectivity services. The Business Plan further expanded on the concept proposed in the Fiber Business Plan, incorporating a pro forma, used to evaluate the revenue and expenditure stream associated with WēConnect®. The plan called for the creation of the City's fourth utility (Water, Electric, Sewer and now Data Center and Fiber), allowing WēConnect® to operate as a utility from an enterprise fund. This enables revenue from fees and services, generated by those using WēConnect®, to be used for operating and maintaining the data center and fiber network.

Of the nearly $6 million design and construction cost of the physical building, 85% was awarded through competitive procurement processes to businesses within a two-mile radius of Westerville City Hall. Coupled with the customers, the facility stayed true to its intent to remain a community asset designed, built and used by the community.

Results and Outcomes

Revenue

Since the establishment of WēConnect®, revenue from colocation (rack space), managed/cloud services, and fiber related services has nearly doubled each year with contract value under contract in excess of $6 million. From an economic development perspective, WēConnect® has supported businesses which have committed to creating or retaining 800 jobs.

Branding services as WēConnect® has helped generate additional revenue stemming from renewed interest of communication carriers expanding their networks to connect and/or compete with services provided by private entities over the City's fiber infrastructure. This expansion has resulted in new conduit lease agreements, as well as new pole attachment agreements generating additional revenue for the Westerville Electric Division.

Cost Savings

The measurement of anticipated cost saving of community partners (Westerville City Schools, Westerville Library, Otterbein University and City of Westerville) associated with consolidation and shared services is another factor. Each entity is actively participating and is in various stages of moving into the center and leveraging associated services. For example, Westerville City Schools, one of the largest school districts in the state of Ohio (top 10), is expected to save hundreds of thousands of dollars by leasing dark fiber from WēConnect®.

In late 2013, WēConnect® was able to meet the needs of a growing Westerville business by collocating and migrating their entire IT infrastructure (servers, storage, and network) to WēConnect®. By leveraging the WēConnect® data center as their own they saved an estimated $1 million in capital costs and gained additional space in their new building for personnel. In 2015 WēConnect® is partnering with the Westerville Electric Division to implement an energy efficiency program that validates and rewards energy savings gained by Westerville businesses that migrate from in-house data centers to the more energy efficient WēConnect® data center.

Economic Development Driver

WēConnect® was born from the idea that fiber infrastructure will change how cities support commerce as well as impact economic development. With the contemplated expansion of a full fiber perimeter in 2009, the community data center came into focus as a way to provide open-platform support and services by tying into and leveraging the City's existing technology infrastructure. WēConnect® has had a significant impact on economic development, bringing normally cost-prohibitive services to the doorstep of the business owner: large, medium and even small. Businesses are acutely aware of the need to find collaborative and innovative solutions that enable them to deliver products and services electronically, as well as provide the ability to take advantage of new workforce and social technologies.

Many organizations, including the City, have all taken advantage of WēConnect® resources. This allows Westerville to have community-based operations in off-site data storage and replication, off-site back-up solutions, cost containment, expanded and specialized services, redundant systems, cloud services and access to hosted and virtual office applications. By reducing on-site IT infrastructure space needs, cost savings and introduction of new technology services, companies can invest their resources in growing their business and creating jobs.

<u>Viable Model for Other Municipalities</u>

Every municipality has data storage, disaster recovery, and telecommunications needs. Until recently, these were more than likely fulfilled on-site. Downward-shrinking budgets and staffing levels, coupled with the continued need to deliver high-quality services, caused jurisdictions to look for new and innovative solutions for conducting business. The community data center concept provides the opportunity for other jurisdictions to tap into and leverage the data center and fiber infrastructure for shared services opportunities

Westerville has received a great deal of interest from other jurisdictions hoping to learn more about the WēConnect® model and understand its replication potential. Over the past three years it has been shared with governmental entities with Alliance for Innovation audiences, and with the National League of Cities, the Ohio Municipal League, Government Financial Officers Association and the Ohio City/County Management Association.

Westerville staff members have hosted many tours of the facility, with some jurisdictions inquiring about opportunities for shared space and services. Others are analyzing the potential to establish a program of their own. Cities of Hamilton and Dublin, Ohio have entered into a professional services agreement with local data centers, with the intent to establish a data center similarly modeled after Westerville. It will also be capable of providing a multitude of services to support their city government and the growth of their business community.

WēConnect® is the first of its kind to fully pair technology-focused business essentials—security, fiber, data center, and cost-effective solutions—with public resources. Publicly owned, the data center creates access and provides support for businesses of all sizes, so that they may protect their data, expand their services and further develop their resources. A "technology commons," it is accessible for use by both the public and private sectors.