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## Maximizing Your Data Center Dollars

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### Overview

- What do you need?
- Find what you need.
- Get what you need.
- Keep what you need.
- Get going.

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### What do you need?

- Document the business need
- Assess your IT current infrastructure
- Define Your Requirements Ahead of Time
- Assign Relative Weights to Your Requirements
- Define What Success Looks Like
- Write a Formal Specification

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What do you need?

- Real Estate
- IT
- Funding
- Staffing
- Connectivity
- Permitting
- Professional Advisors

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What do you need?  
Decision Matrix

Decision Matrix

- Construct a "Decision Matrix"
- Comparison Based
  - Rate the factors on a scale of 1 - 3
- Score Based
  - Assign score to each of the factors

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What do you need?  
Funding

- What are your revenue projections
  - Year over year
  - 3 years out
- Desired / Max budget
- What is your projected ROI?
- Debt / Cash
- Vendor financing

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### What do you need?

- Construction
- Generator
  - .Equipment & Installation
- UPS
  - .Equipment & Installation
- HVAC
  - .Equipment & Installation
  - .Electrical
- Electrical Contractor
  - .Transformers
  - .Lights
  - .Circuits & Panels
  - .Miscellaneous
- Raised Flooring
- Fire Suppression
  - .Gas system
  - .Wet Sprinklers
  - .Pre-action dry pipe sprinklers
- Security
  - .Key card access
  - .Alarm and monitoring
- Architectural Services
- Misc. Professional Services
- Fiber and/or Telecom Construction
- Delivery and Rigging

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### What do you need? Initial Specifications

- Detail preempts surprise.
- Square footage needs should be based on projected growth.
- Power needs
- How do specifications affect your staffing projections?

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### Find what you need

- Evaluate the utility of leasing agents.
- Create a check list of must haves.
- Visit locations.
- Require inspection prior to leasing.
- Meet with landlord to determine "fit."

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### Find what you need

	Location
✓	Major peering points
✓	Competition in bandwidth market
✓	Reliability of the power grid
✓	Tax burden
✓	Regulatory red tape
✓	Wage scales
✓	Corporate travel costs

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### Find what you need

#### Lease Discussion

- What are the quirks associated with the location?
- What improvements will be required?
- How do the economies of scale differ at this location vs. others.
- Incorporate these issues into decision matrix.
- Determine if you can leverage negotiations with more than one landlord.
- Don't negotiate "on deadline"
- Don't compromise

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### Get what you need

#### Lease Provisions

✓ Issue	Discussion
Term	- Defined. - Controlled. - Foreseeable: "free and clear of all other uses" - Evergreen clauses - Rights of first refusal
Laws and Regulations	- Permitted use - Data center "terms" are broadly defined - Landlord handles all regulatory issues related to premises - Vendors understand and comply with local laws and regulations - Local law issues must be vetted

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### Get what you need Lease Provisions

✓ Issue	Discussion
Cooperation	<ul style="list-style-type: none"> <li>- Right of quiet enjoyment</li> <li>- Notice of intended use</li> <li>- Vendor / customer access</li> </ul>
Fiber and Utilities	<ul style="list-style-type: none"> <li>- No barriers to access</li> <li>- Who keeps "fixtures."</li> <li>- Supplying bandwidth to other tenants</li> <li>- Mark-up on access</li> <li>- Power must be adequate</li> <li>- Who pays for "heavy ups"</li> </ul>
Acceptance	<ul style="list-style-type: none"> <li>- Provisions should be narrowly crafted</li> <li>- Meet "data center" needs</li> </ul>

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### Get what you need Lease Provisions

✓ Issue	Discussion
Assignment / Subletting	<ul style="list-style-type: none"> <li>- Maximum flexibility for you</li> <li>- No consent to assignment for sale / transfer</li> <li>- Include partial asset transfers</li> </ul>
Insurance	<ul style="list-style-type: none"> <li>- Landlord has insurance appropriate for data centers</li> <li>- Right of subrogation</li> <li>- Your insurance meets lease terms</li> <li>- Covers business disruption</li> <li>- Does not exclude third parties or your customers</li> </ul>

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### Get what you need Lease Provisions

✓ Issue	Discussion
Contractors	<ul style="list-style-type: none"> <li>- Insurance</li> <li>- Indemnification</li> <li>- Bonding</li> <li>- Project Manager</li> <li>- Delivery / Delay</li> </ul>
Contractors / Vendors	<ul style="list-style-type: none"> <li>- Risk of Loss</li> <li>- Key contract provisions in RFP (if you release one)</li> <li>- How do you handle change orders</li> <li>- Unique payment terms</li> </ul>

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Get what you need Lease Provisions

- Read entire lease, and understand it.
- No ambiguities.

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Delivery

- Walkthroughs and punch-lists
- Final payment disbursements
- Once your contractors finish, your work begins
- Factoring this piece into your timeline
  - Installing your networking gear
  - Network cabling
  - Staffing and monitoring

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Operation

- Continued cooperation with landlord
- Distance employee management
- Working relationship with outsourced vendor
- Customer visits
- Documenting customer relationships

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### Operation – Plan Ahead

- Establish relationships with more than one vendor.
- Anticipate immediate future power needs.
- Don't underestimate telco issues
  - At least two telcos
  - Two separate redundant paths – far separated
  - Bandwidth should be geographically separated
- Plan ahead for new space if current space is stop gap.

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### Bottom Line Guidance

- Use a decision matrix
- Negotiate, negotiate, negotiate
- Finances must be in order
- Understand technical details
- No ambiguities in lease
- Hands on building process
- Don't leave anything to chance

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### Thank you for attending!

Please be sure to fill out your session evaluation form and return it to the box at the back of the room.

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