

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Matthew J. Fertal	From:	Charles Kalil
Dept.:	City Manager	Dept.:	Information Technology
Subject:	APPROVAL OF AN AGREEMENT WITH TELEPACIFIC COMMUNICATIONS TO PROVIDE SERVICES AS A SECONDARY INTERNET SERVICE PROVIDER		
		Date:	August 13, 2013

OBJECTIVE

To seek City Council authorization of a three-year agreement with TelePacific Communications to provide services as the City's secondary Internet Service Provider (ISP).

BACKGROUND

The City currently has a 20 Mbps Internet connection through Time Warner Cable. In an effort to increase bandwidth and provide redundancy, the City's Information Technology Department recommends adding a secondary Internet connection through a different provider. The secondary ISP connection would operate in conjunction with the current connection to double the City's bandwidth from 20 Mbps to 40 Mbps. Should one connection go down, the other connection would continue to provide uninterrupted access for employees to resources on the Internet and for residents and vendors to the City's website.

ANALYSIS

Both Business Continuity and Best Disaster Recovery (DR) practices recommend having two separate ISP connections from two different providers in order to increase Internet availability. Last month, the City Council approved a new three-year ISP agreement with Time Warner Cable. The terms of this new agreement reduced the rate for 20 Mbps service by \$766 per month. It is the recommendation of the City's Information Technology Department to use these savings to acquire a secondary ISP. This will increase bandwidth while improving availability of the City's Internet.

Staff requested and received pricing proposals from three industry leading Internet Service Providers for a three-year term of 20 Mbps services. TelePacific Communications' proposal included a monthly rate of \$790 with an installation cost of \$500. AT&T's proposal included a monthly rate of \$843 with no installation cost.

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AGREEMENT WITH TELEPACIFIC COMMUNICATIONS
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Cogent Communications' proposal included three different speed options all of which were priced substantially higher than TelePacific's and AT&T's proposals. Cogent's proposal for the requested 20 Mbps speed included a monthly rate of \$1323 a month with an installation cost of \$500. TelePacific's proposal was the most competitive over the three year term.

FINANCIAL IMPACT

The total cost of the three-year agreement with TelePacific Communications would be \$28,940 plus taxes and fees, which is budgeted within the Information Technology Department's 2013/14 contractual services budget. The majority of this budget can be attributed to the cost reduction of \$27,576 resulting from the Time Warner ISP contract approved by City Council in July 2013.

RECOMMENDATION

It is recommended that City Council:

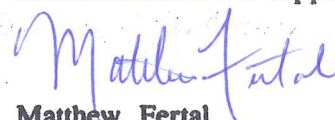
- Approve a three-year agreement with TelePacific Communications, in the amount of \$28,940 plus taxes and fees, to provide services as the City's secondary Internet Service Provider; and
- Authorize the City Manager to execute a three-year agreement and to make minor modifications as appropriate thereto.

 FOR

CHARLES KALIL, Director
Information Technology Department

Attachment: 1. TelePacific Communications Service Agreement
2. AT&T Quotation Dated 7/29/2013
3. Cogent Communications Quote Dated 7/25/2013

Recommended for Approval



Matthew Fertal
City Manager



Service Agreement

Section 1 Customer Information

Account Number (existing acct) _____

Company Legal Name (Individual if Sole Proprietorshi City of Garden Grove

Doing Business As (DBA) City of Garden Grove

Contact Name and Title Charles Kalil - Information Technology Director

Telephone Number 714-741-5095 Fax Number _____ Email charlesk@ci.garden-grove.ca.us

Service Address: 11222 ACACIA PKWY -

City GARDEN GROVE State CA Zip 92840

Section 2 TelePacific Services

TelePacific will provide Customer with the specified type and amount of Services at the rates, and terms and conditions listed below, and Customer shall accept and pay for Services under the Terms and Conditions to which Customer agreed on the Telecommunications Account Agreement that governs this Service Agreement.

Description of Services	Account Term (Yrs)	QTY	Monthly Recurring Charge (MRC)	MRC Total	Set-up Charge (NRC)	NRC Total
OneCentral	3	1	\$0.00	\$0.00	\$0.00	\$0.00
20 Mbps Port	3	1	\$500.00	\$500.00	\$0.00	\$0.00
20 Mbps Access	3	1	\$700.00	\$700.00	\$500.00	\$500.00
Internet	3	1	\$100.00	\$100.00	\$0.00	\$0.00
IP Addresses (block of 16)	3	1	\$0.00	\$0.00	\$0.00	\$0.00
No Router Required	3	1	\$0.00	\$0.00	\$0.00	\$0.00
31107121304 : Ethernet-Internet 20M Tier 1 (EoC)	3	1	(\$510.00)	(\$510.00)	\$0.00	\$0.00
Sub Totals:				\$790.00		\$500.00
LDAC, EUCC and EUCL:				\$0.00		

Federal, State and Local Taxes and Other Charges will be applied in accordance with the definitions stated at <http://www.insidetelepacific.com/rates/rates-telepacific.asp>.

Method of Payment: ACH (Automated Clearing House) By selecting this payment method, you agree to allow TelePacific to deduct your monthly balance in full through an electronic payment system.

IN WITNESS WHEREOF each Party hereto has caused this Service Agreement to be executed by its duly authorized representative.

X

Agreed By, Customer Signature

Date

AT&T INTERNET PRICE

From : HELMUT J JOCHIM <hj9539@att.com>

Subject : AT&T INTERNET PRICE

To : Charles Kalil (Charlesk@ci.garden-grove.ca.us) <Charlesk@ci.garden-grove.ca.us>

Cc : ALECK M GALUSKA <ag3879@att.com>

Mon, Jul 29, 2013 06:06 PM

Charles,

AT&T is able to provide an INTERNET Connection at 20 Mbps to your location at 11222 Acacia Parkway, Garden Grove, CA 92840 for **\$843.00 per month**. This price is offered with no installation charge under a 3 year contract per your request. This will enable the City of Garden Grove to obtain a secondary Internet Connection from another provider at a very cost-competitive price.

Please let me know if you need any additional information in order for you to make a decision.

Helmut Jochim
Senior Account Manager - AT&T
200 Center Street Promenade, RM 615
Anaheim, California 92805
Phone: 714.284.2770
Cell: 714.390.0590
Fax: 714.563.2470
hj9539@att.com

Account Support for Cellular Voice/Data equipment changes/issues, billing questions or ordering please e-mail to this address: SelectNBS@amcustomercare.att-mail.com and copy me.

SAVE & LEARN : CLICK HERE FOR Wireless Government Solutions and discounts

Cellular Porting Group: 888-898-7685



Quote

To: City of Garden Grove
Charles Kalil
11222 Acacia Parkway
(714) 741-5095
charlesk@ci.garden-grove.ca.us

From: Justin Lavin
Regional Account Manager
(703) 456-7924
jlavin@cogentco.com

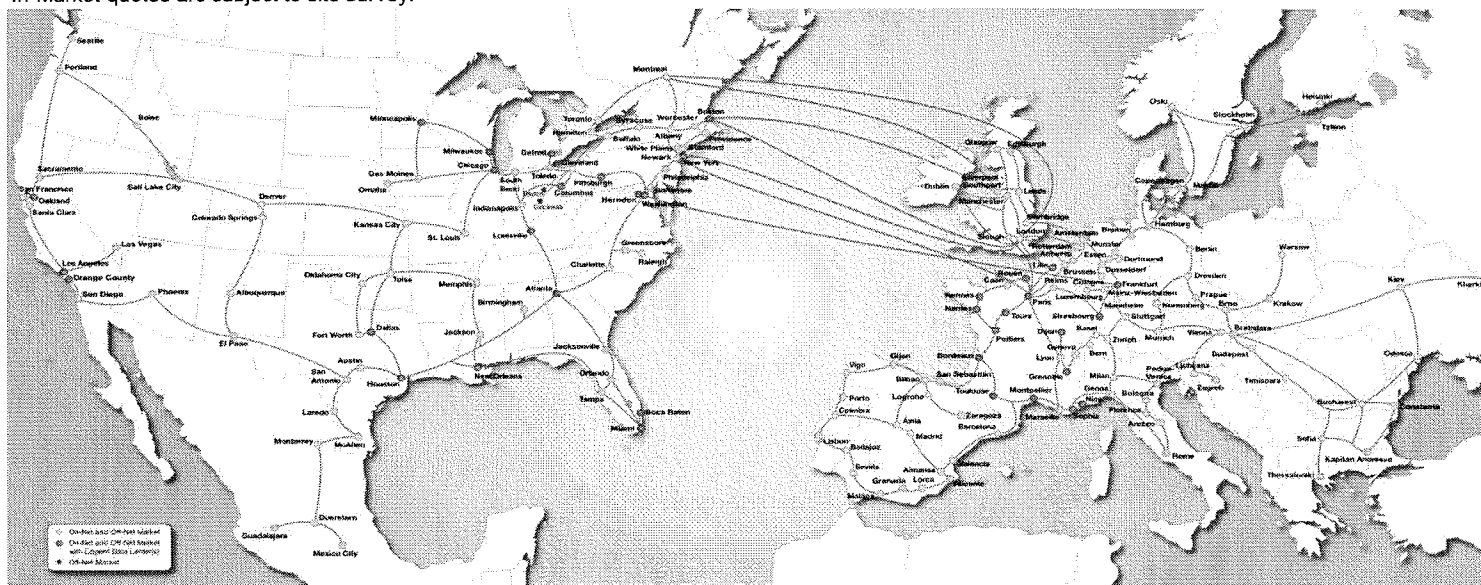
Date	Quote Number	Expiration Date	Product
25-Jul-13	2	25-Aug-13	In-Market Dedicated Internet Access

Site #	Service Address	City	State	Zip Code
1	11222 Acacia Parkway	Garden Grove	CA	92842

Site #	Item #	Description	Monthly Charge	Burst Fee	NRC Install	Install Time	Service Term
1	20 Mbps	Fully-fiber Ethernet	\$ 1,323	n/a	\$ 500	90 Business Days	3 Years
1	50 Mbps	Fully-fiber Ethernet	\$ 1,211	n/a	\$ 500	90 Business Days	3 Years
1	100 Mbps	Fully-fiber Ethernet	\$ 1,314	n/a	\$ 500	90 Business Days	3 Years

Pricing does not include taxes.

In-Market quotes are subject to site survey.



<http://www.cogentco.com>