

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 TIME WARNER CABLE TO PROVIDE SERVICES AS THE CITY'S INTERNET SERVICE PROVIDER		
		Date:	July 9, 2013

OBJECTIVE

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

BACKGROUND

On July 25, 2006, City Council approved a three-year agreement with Time Warner Cable to provide services as the City's ISP. Time Warner offered the best price and was able to meet the high bandwidth service requirements of the City. In July 2009 the renewal provision of the agreement was exercised and it was extended for another four-year term. In August 2011 an addendum to the agreement was made to upgrade service from 10 Mbps to 20 Mbps for the remaining term of the agreement ending July 7, 2013.

ANALYSIS

The City is currently paying \$1,600 per month for the ISP services provided by Time Warner Cable. Time Warner has proposed pricing of \$834 per month for a new three-year service agreement to continue to provide the current level of service at 20 Mbps. This represents a \$766 reduction or a 47.8 percent savings per month.

Staff requested and received pricing proposals from two other industry leading service providers for the same level of service currently being provided by Time Warner. TelePacific Communications' proposal included a monthly rate of \$1040 with an installation window of 30 - 45 days. Cogent Communications' proposal included a monthly rate of \$1323, a \$500 installation fee and an installation timeframe of 90 business days. Time Warner's proposed rate is not only the most competitive, but due to the existing infrastructure for these services, there would be no installation requirements or charges.

Vendors were also asked to provide pricing for service at 40 Mbps or double our current capacity. Staff decided that it would be better to use savings from this contract to purchase additional capacity from another vendor in the future. There are benefits in having two separate Internet connections. Should one vendor's connection go down, the City would still have Internet connectivity (be it at a lower capacity) and allow for uninterrupted service for its employees, vendors, and customers. This is considered an industry best practice for both Business Continuity and Disaster Recovery purposes.

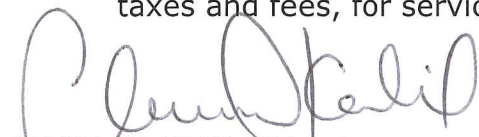
FINANCIAL IMPACT

The total cost of the three-year agreement would be \$30,024 plus taxes and fees and is budgeted within the Information Technology Department's contractual services budget. The new agreement rate of \$834 per month would result in a cost reduction of \$27,576 over the three-year period.

RECOMMENDATION

It is recommended that City Council:

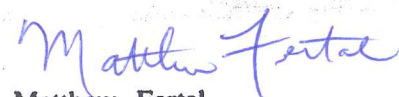
- Approve a three-year agreement with Time Warner Cable in the amount of \$30,024 plus taxes and fees to continue to provide services as the City's Internet Service Provider; and
- Delegate authority to the City Manager to enter into and execute a three year agreement with Time Warner Cable in the amount of \$30,024, plus taxes and fees, for services as the City's Internet Service provider.



CHARLES KALIL, Director
Information Technology Department

- Attachment:
1. Time Warner Proposal 2928775
 2. TelePacific Quote Dated June 18, 2013
 3. Cogent Communications Quote Dated June 19, 2013
 4. Time Warner Business Class Customer Service Order

Recommended for Approval



Matthew Fertal
City Manager

TIME WARNER CABLE BUSINESS CLASS

Communications Solution Proposal

**For CITY OF GARDEN
GROVE**

Prepared by:

Robert Sharp

GEM AE2 Enterprise

Phone: 562-677-0689

Email: robert.sharp@twcable.com

Ranked #1 in Customer Loyalty by

FROST & SULLIVAN

Table of Contents

Table of Contents	2	Highest Customer Loyalty – Frost & Sullivan Best Practices Award Winner	9
Executive Summary	3	Proposal Notes	10
Time Warner Cable Business Class Solutions	3	Conclusion	11
Network Overview	5	Product Descriptions	12
Customer Care Overview	6		
Service Delivery Overview	7		
Proposed Pricing	8		

Executive Summary

Thank you, CITY OF GARDEN GROVE, for considering Time Warner Cable Business Class for your communications needs.

I appreciate the opportunity to submit this proposal, which is a customized solution addressing the following needs you identified:

- Cost Savings
- Cost Savings
- Reliability

This proposal outlines our solution, benefits and pricing, and takes into account the requirements you provided (please refer to 'Product Descriptions' for detailed descriptions of our services).

I look forward to discussing this proposal with you in detail and addressing any questions you might have. On behalf of your entire Time Warner Cable Business Class team, thank you for the opportunity to compete for your business. We want to earn your business and are confident we have the right solutions to meet your needs now and in the future.

Time Warner Cable Business Class Solutions

Dedicated Internet Access (Fiber)

Dedicated Internet Connection

A fast, reliable, high-bandwidth, symmetrical, and dedicated Internet access link over TWCBC fiber. Speeds range from 5Mbps to 10

Industry-Leading SLAs

Service Level Agreements (SLAs) ensure high performance and availability for your mission-critical applications.

Scalability

Speeds are dynamically scalable up to 10Gbps to meet your evolving business needs.

Gbps.

Broadband & Wideband Internet (Cable Modem)	Runs Data-Intensive Apps Tiered service levels with speeds up to 50Mbps. Large capacity for efficient downloads and transmissions.	Security Includes Personal Security Suite at no extra charge for protection against spam, viruses, and spyware.	Powers Multiple Users Supports simultaneous use of the Internet for multiple workstations with a single Internet connection.
Ethernet	Ethernet Topologies Connect your locations with a secure, point to point, point-to-multi-point, or multi-point to multi-point Ethernet connection. A cost-effective alternative to legacy systems.	Industry-Leading SLAs Service Level Agreements (SLAs) ensure high performance and availability for your mission-critical applications.	Bandwidth Grows with You Increase your bandwidth within 2-5 days (no CPE changes) at: - up to 512Kbps-2Mbps (coax) - 5Mbps-1Gbps (fiber) -1Gbps-10Gbps (fiber)
Cable TV and Music	Variety of Channel Lineups Select from lineups tailored to meet the needs of Businesses, Healthcare, Hospitality, Bars & Restaurants, and Colleges.	Series of TV Packages Target programming to your audience with options like Sports Pass, International, Premium Channels, and Music Choice.	Video Service Options for Hospitality Pro:Idiom: 60+ HD channels. Set-Back Box: 100+ HD channels and free on-demand.
Phone*	Business Class Phone Unlimited local and nationwide long distance: Call anytime, anywhere within the U.S., Canada, Puerto Rico, U.S. Virgin Islands, Guam and Saipan for a flat monthly rate.	Voice Manager Portal Improve call handling by using the Voice Manager portal to activate and deactivate features, such as Call Forwarding and Hunt Groups, 24/7 from any Internet connection.	Features Key business features, such as Caller ID, Call Forwarding, Hunt Groups and Call Waiting included. Upgrade to value-added features such as Auto Attendant, Voice Mail, and Toll Free.
Trunks*	PRI Available as both fractional and full (23 B+D) service for customers with PBXs. Available in several trunk configurations.	Long Distance Plans Every full and fractional PRI can include free 3,000 LD minutes. Additional 5,000 or 10,000 minute packages are available.	Availability Voice delivered across the TWCBC wholly-owned network. Voice traffic prioritized through our network.
Value-Added Service Upgrades	Managed Security A comprehensive suite of fully-managed security services that includes management, configuration, implementation and 24/7 support.	Online Backup Automatic, scheduled backup of your files for safe off-site storage, with the extra advantage of secure, remote file access from anywhere.	Web Hosting Website set up and maintenance. Storage options from 5Gb-40Gb. Domain registration and virtual storefront packages are also available.
Hosted Email, Collaboration, and Data Management	Microsoft® Hosted Exchange Provides anywhere, anytime access to communication features such as email, calendars and contact lists via Microsoft Outlook®.	Microsoft SharePoint® Easy, reliable method to share and manage business files from a central location.	Secure and Robust Email security through anti-spam protection and anti-virus filtering. Enterprise-grade data centers provide high availability with robust business continuity.

*Time Warner Cable Business Class Phone and Trunk (PRI) customer premise equipment is electrically powered and, in the event of a power outage or network failure, Enhanced 9-1-1 ("E911") services may not be available. Additional charges apply for taxes, fees, Directory Assistance, Voicemail, Special Calling Features, Operator Services and calls to international locations.

Network Overview

A unique, competitive advantage of TWCBC is our carrier-class and wholly-owned Time Warner Cable Business Class network. (Figure 2). Competitive Local Exchange Carriers (CLECs) use the Incumbent Local Exchange

Carrier (ILEC) network infrastructure. Unlike the CLECs who resell the ILEC network, we own and operate our own network, including the critical “last mile” into your business.

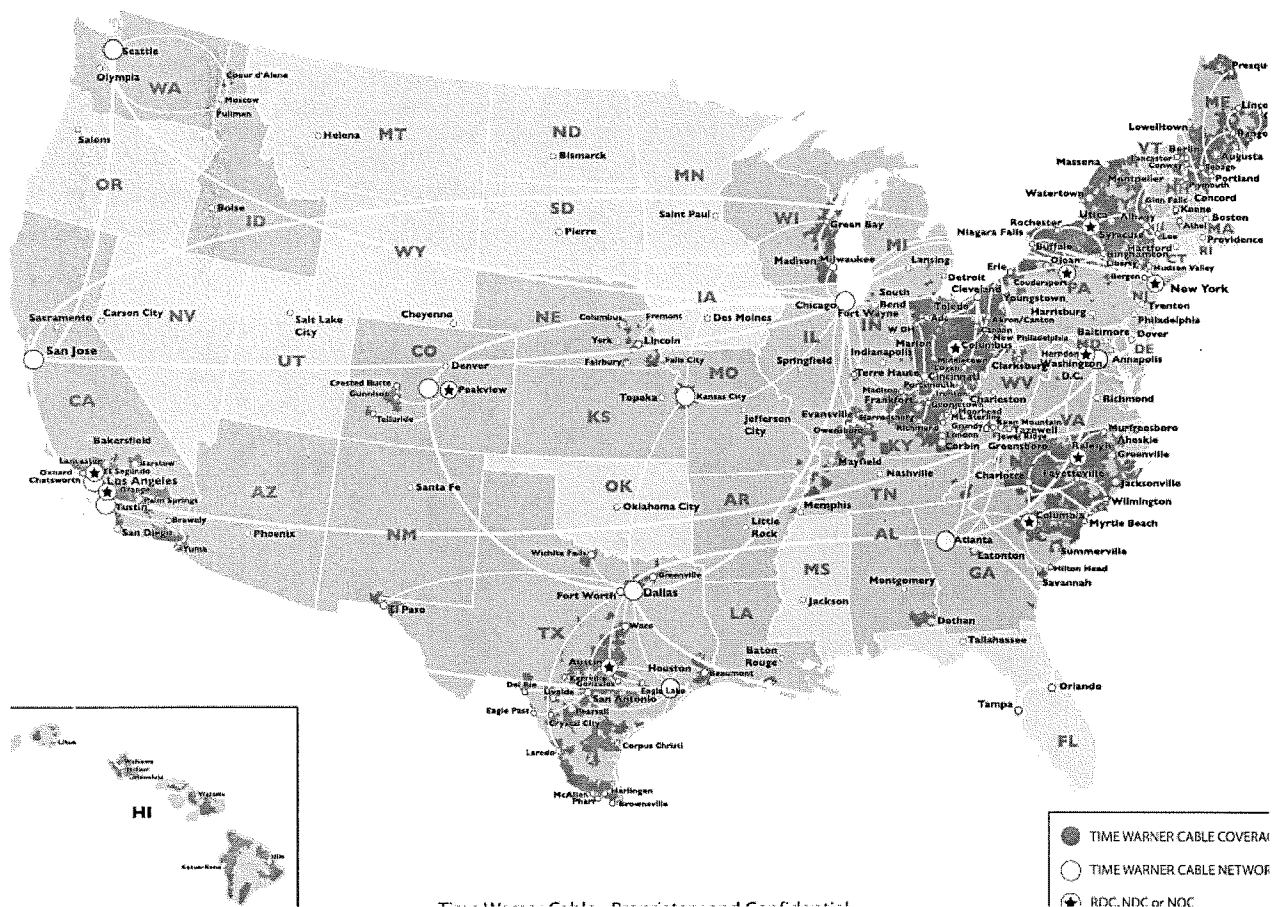


Figure 2.
Time Warner Cable National Presence Map

As a result, our network gives customers true route diversity, thus offering a cost-effective primary service or an alternate network for disaster recovery/network outage insurance.

TWCBC is a facilities-based provider with a fully monitored and resilient network across the U.S. Our network was upgraded in 2011 with innovative, state-of-the-art transport technologies. It provides the completely redundant carrier-class reliability, scalability and capacity necessary for transport, Internet, data, video, and voice services.

Customer Care Overview

At Time Warner Cable Business Class, our main priority is giving customers the support they need to get the most out of their communication services.

Our customers are supported by teams of highly trained customer service consultants who provide:

- Tech Support: 24 hours a day/ 7 days per week via phone. Building a partnership with our customers is of utmost importance to us.
- Live Chat: 24 hours a day/ 7 days per week. You may chat one-on-one with a Customer Care chat agent who is skilled in answering all of your questions.
- Email Support: We know our customers are busy, so we also offer Email support 24 hours a day/ 7 days per week. Simply and quickly fill out the Email support form—responses are generally received within two hours.
- Billing Support: Monday through Friday from 8:00 a.m. to 6:30 p.m. eastern. Your questions are answered professionally and courteously; we are here to help.
- Self Service: The “My Account” Portal is available 24 hours a day/ 7 days per week. Through this portal, you can access and pay your bill, set up your services, troubleshoot your equipment, access webmail, check the status of and reschedule your appointments, and submit questions about your bill

Service Delivery Overview

Once you select Time Warner Cable Business Class as your communications provider, our team of technical, engineering, construction and service delivery professionals – dedicated to CITY OF GARDEN GROVE – will implement your service.

You want your service delivered correctly and on the promised date. We want that too. To ensure a smooth and timely delivery of your service, below are the steps we will take and what you can expect:

Order Management

Upon receipt of your signed Service Agreement and related documents, your Account Executive will submit your order for processing – and a single point of contact from the TWCBC Service Delivery Team will be assigned to you.

Your Service Delivery Team member will reach out to you to confirm the receipt of your order, ensure its accuracy, and gather additional information, if needed. Afterwards, you will receive an email confirming your service location address and contact information and outlining next steps.

Site Survey (if necessary)

Prior to your service installation, a site survey may be necessary to determine serviceability at your location. If needed, the site survey will involve a thorough walk through and evaluation of your service location.

If you lease your office space, a member of our Service Delivery Team will meet with the property owner or manager of your service location(s) to secure rights of entry into the building(s). If the service location is a government building, we will secure rights of entry from the appropriate government authority.

After the survey is completed, we will provide the installation requirements to your property owner or manager and work with them to get approval for that work. The survey technician will also discuss customer wiring and construction requirements during this review.

Installation Date Scheduling

Your TWCBC Service Delivery Team member will contact you to schedule your preferred installation date and estimate the time required to perform the work. Following that conversation, you will receive an email confirming the services to be installed, your service location address, and your installation date and timeframe. This email will also contain the confirmation number for the install.

Activation of Service

On the day of installation, a TWCBC technician will contact you prior to arrival. For our technician to complete the work, we need the following:

- Point of Contact: We need an authorized employee or company representative over 18 years of age at the service address at the time of install.
- Permission: If you lease your office space, we need permission from the property owner or management to run cables or perform other required services.
- Installation Site:
 - Your service location needs to have electrical power.
 - Our technician will need access to exposed wires and all areas needed for installation. That can include a wide variety of areas, including but not limited to the roof, riser/telco closet, and backyard. If you do not have access, we need maintenance personnel or the building owner onsite the day of install.
 - (New York City only) Local 3 A-Card designated buildings will need to have the building or an in-house electrician run cables prior to the TWCBC installation.
- Key System or PBX: If you have a key system or PBX, you will need your Phone Vendor/ Integrator or IT Associate onsite the day of install to connect our lines into your phone system.
- Internet Access: If you are having Internet Access installed, you will need your Integrator or IT Associate onsite the day of the install to connect our lines into your network. If you use DSL and are porting the DSL number for your Internet Access, you will need your IT person onsite to configure your network.
- Cable TV: If you are having Cable TV service installed, please ensure televisions will be onsite at the time of install for proper testing and verification of services.

One to two days before the activation date, a TWCBC technician may be on site to do preliminary entrance and inside wiring work. The technician will contact you prior to arrival and will need the same access indicated above.

Service Delivery Status

You may contact your TWCBC Service Delivery Team member anytime throughout the service delivery process should you have questions.

Proposed Pricing

Proposal#: 2928775

Proposed Pricing Good Until: 7/18/2013 12:00:00 AM

Account Executive: Robert Sharp

Telephone: 562-677-0689

Ext:

Fax: 704-945-1761

Email: robert.sharp@twcable.com

Customer Information:

Authorized Contact:

Contact Phone:

Contact Fax:

Charles Kalil

(714) 741-5095

+1.714.741.5030

New and Revised Services and Monthly Charges At: 11222 Acacia Pkwy , Garden Grove CA 92840

Product	Quantity	Sales Price	Contract Term	Monthly Price
Bcf I-Net	1	\$834.00	36 Months	\$834.00
Monthly Total:*				\$834.00

*Prices do not include taxes and fees

*Prices quoted are subject to change. Applicable taxes and fees are not included in the quoted price. Additional Terms and Conditions may apply.

Highest Customer Loyalty – Frost & Sullivan Best Practices Award Winner

At Time Warner Cable Business Class, we take customer loyalty seriously. And, we are proud to say that, thanks to our customers, we were named the company with the highest loyalty in the primary network service provider category in Frost & Sullivan's 2012 U.S. Business Connectivity Services User Survey.



Frost & Sullivan's survey of U.S. telecom and network decision makers revealed that current business customers of Time Warner Cable Business Class are less likely to switch to another network service provider compared to customers of its nearest competitors. In fact, more than eight out of 10 Time Warner Cable Business Class customers are not at risk of switching.

Further, this survey found that ILECs are no longer the default choice, or even preference, for multi-site small, mid-market and even some large businesses. Instead they prefer multi-system operators (MSOs) like Time Warner Cable Business Class because we have national networks comprising an optical fiber core network, metro fiber networks and dense local hybrid fiber-copper access infrastructure, over which we are offering an expanding range of Ethernet-based network solutions.

Time Warner Cable Business Class believes in putting our customers first, offering them a full complement of business communications tools, and working with them to tailor a solution that helps their businesses succeed. Our employees practice this every day, and we will continue to deliver the quality products, services and support our customers expect.

Read the entire Frost & Sullivan press release [here](#).

Proposal Notes

Pricing as follows:

3 year term at \$834/month for 20MBs symmetrical bandwidth over fiber.

3 year term at \$1324/month for 40MBs symmetrical bandwidth--and Time Warner will give you an additional 10MBs to bring to this to 50MBs symmetrical over fiber.

Conclusion

On the previous pages, we have illustrated our detailed proposal for CITY OF GARDEN GROVE. Our proposal addresses your needs around Cost Savings, Cost Savings, and Reliability, and we have the experience and expertise to be your communications provider.

A unique advantage of Time Warner Cable Business Class is our carrier class, wholly-owned, and reliable network. While it is the cornerstone of our offering, we know that it is our people that will truly meet your needs as we strive to exceed your expectations.

We understand that a solid and reliable communications infrastructure is essential for your business. The locally-based TWCBC team for CITY OF GARDEN GROVE is focused solely on delivering on our promises, and our technical support experts will be available to you 24/7 should the need arise.

Please do not hesitate to contact me with any questions you may have about any aspect of our proposal and our company. I look forward to that discussion – and your entire Time Warner Cable Business Class team is ready to serve your communications needs.

Product Descriptions

Dedicated Internet Access (DIA)

Time Warner Cable Business Class (TWCBC) Dedicated Internet Access offers dedicated Internet connectivity, leveraging the fiber distribution network that supplies service to millions of other Time Warner Cable customers. With the principal product focus on secure, high-bandwidth solutions, this service provides robust point-to-point fiber-based Internet connectivity.

FEATURES	BENEFITS
Tiered Service Levels	Customized speed configurations to meet your business needs.
Scalable Service Levels	Scalable service from 5Mbps to 10Gbps symmetric transmission speeds can be customized as business needs change.
Service Level Agreements	Industry-leading Service Level Agreements (SLAs) are available.
Fiber-based	A fast, reliable, high-bandwidth, symmetrical, and dedicated Internet access link over TWCBC fiber.

RE: Request for Quote for ISP Services

From : Dean Manriquez <dmanriquez@telepacific.com>

Tue, Jun 18, 2013 04:30 PM

Subject : RE: Request for Quote for ISP Services**To :** Charles Kalil <charlesk@ci.garden-grove.ca.us>**Hello Charles,**

Below are the quotes for Telepacific's 20Mbps & 40Mbps services you requested. I also included a quote for 60Mbps just in case you wanted to compare it to the other 40Mbps quotes. All of our internet services are symmetrical with guaranteed bandwidth and are backed by a industry leading Service Level Agreement (99.999%) and 24/7 support. We can also have our services installed approximately 30-45 days after ordering. Please let me know if you need any other information before you present to the City Council on 07/09/13.

Business EoC Service		3 Year
Business EoC -20Mbps	Monthly Rate	\$1040
	Set-up/Install	\$0
Business EoC -40Mbps	Monthly Rate	\$1340
	Set-up/Install	\$0
Business EoC -60Mbps	Monthly Rate	\$1540
	Set-up/Install	\$0

Thank you,

Dean Manriquez
Senior Account Executive
TelePacific Communications
72 Corporate Park
Irvine, CA 92606
(714) 852-5766 (Direct)
(714) 852-5767 (Efax)
(714) 812-2939 (Cell)
dmanriquez@telepacific.com



Attachment 3

Quote

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

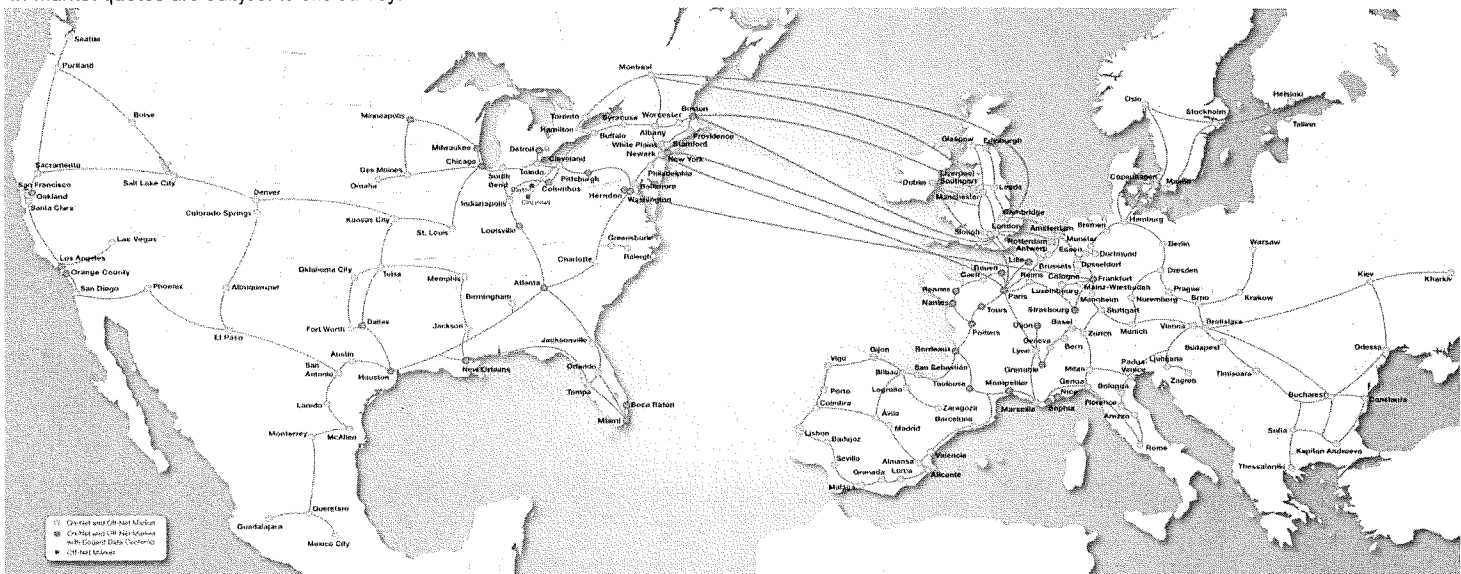
From: Justin Lavin
Regional Account Manager
(703) 456-7924
jlavin@cogentco.com

Date	Quote Number	Expiration Date	Product
19-Jun-13	1	19-Jul-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	\$ 1,466	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>

Attachment 4



Business Class Customer Service Order

Account Executive: Robert Sharp
 Phone: 562-677-0689 ext:
 Cell Phone: +1 5624848167
 Fax: 704-945-1761
 Email: robert.sharp@twcable.com

Business Name	CITY OF GARDEN GROVE	Customer Type:	Existing Customer
Federal Tax ID	Tax Exempt Status	Tax Exempt Certificate #	
Billing Address	Account Number		
P O Box 3070 Garden Grove CA 92842	8448400030555184		
Billing Contact	Billing Contact Phone	Billing Contact Email Address	
Charles Kalil	(714) 741-5095	charlesk@ci.garden-grove.ca.us	
Authorized Contact	Authorized Contact Phone	Authorized Contact Email Address	
Charles Kalil	(714) 741-5095	charlesk@ci.garden-grove.ca.us	
Technical Contact	Technical Contact Phone	Technical Contact Email Address	

Current Services and Monthly charges At 11222 Acacia Pkwy , Garden Grove CA 92840				
Description	Quantity	Sales Price	Monthly Recurring Total	
Bcf WO Video	1	\$0.00	\$0.00	
Bci Cntrct2Y	1	\$0.00	\$0.00	
Platinum Svc	1	\$0.00	\$0.00	
*Total			\$0.00	
*Prices do not include taxes and fees.				
New and Revised Services and Monthly Charges At 11222 Acacia Pkwy , Garden Grove CA 92840				
Description	Quantity	Sales Price	Monthly Recurring Total	Contract Term
Bcf I-Net	1	\$834.00	\$834.00	36 Months
*Total			\$834.00	
*Prices do not include taxes and fees.				

**Special Terms**

The services, products, prices and terms identified on this Service Order constitute Time Warner Cable's offer to provide such services on such terms. Until Customer has accepted this offer by signing as appropriate below, Time Warner Cable reserves the right to rescind this offer at any time, at its sole discretion.

The Agreement shall be renewable for successive terms unless at least thirty (30) days prior to the expiration of the then-current term, either party notifies the other party of such party's intent not to renew this Agreement. Agreement term and corresponding monthly billing will commence on actual service installation date. Cable television and Work-at-home services are subject to annual price change.

36-month contract \$834/month fiber 20MB/s speed.

Electronic Signature Disclosure

By signing and accepting below you are acknowledging that you have read and agree to the terms and conditions outlined in this document.

Authorized Signature for Time Warner Cable

Printed Name and Title

Date Signed

Authorized Signature for Customer

Printed Name and Title

Date Signed