South Bay Cities Council of Governments

August 13, 2018

TO: SBCCOG Steering Committee

FROM: Jacki Bacharach, SBCCOG Executive Director

SUBJECT: Follow-Up: Internet Service Provider (ISP) Site Evaluation for SBCCOG Office

Adherence to Strategic Plan:
Goal D: Organizational Stability. Be a high performing organization with a clear path to long-term financial health, staffing continuity, and sustained board commitment.

BACKGROUND
SBCCOG staff determined that Spectrum Enterprise was the most cost-competitive ISP capable of performing a site evaluation of SBCCOG office. At 25 Mbps of Direct Internet Access (DIA) for an estimated $480 a month under a one-year agreement, Spectrum Enterprise is more than $500 less expensive than what SBCCOG currently pays TelePacific per month for less bandwidth. A site evaluation was scheduled for Spectrum Enterprise to determine if the building site was capable of being serviced.

SITE EVALUATION OUTCOME
Spectrum Enterprise determined that the building site is serviceable; however, unless SBCCOG enters into a 3-year agreement, SBCCOG would have to pay more than $6,000 in construction costs to lay the necessary infrastructure for DIA service. Due to uncertainty regarding the long-term future of SBCCOG's office lease prospects (lease agreement ends November 2019), it would not be prudent for the SBCCOG to enter into a long-term agreement with an ISP while the construction costs to finance a short-term agreement are so expensive.

There may be another option to lower or waive the construction costs under a short-term agreement if a combination of building management and its tenants are agreeable to also participate in a DIA service agreement(s) with Spectrum Enterprise. This scenario could be a realistic proposition considering the value that high-speed internet adds to the building for both management and tenants while incentivizing Spectrum Enterprise to cover construction costs.

NEXT STEPS
SBCCOG staff will reach out to building management to see if they are interested in DIA service for its tenants with Spectrum Enterprise. SBCCOG staff will then report on outcome of discussions along with recommendations on how to proceed to SBCCOG Steering Committee.

Prepared by Chandler Sheilds