

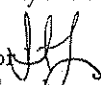


Howard County

Internal Memorandum

Subject: Multi-Year Contract for Primary Rate Interface Service Connectivity
With Verizon Maryland, Inc.

To: Lonnie Robbins, Chief Administrative Officer
Department of County Administration

From: Ira A. Levy, Director 
Department of Technology and Communications Services

Date: July 2, 2009

The County's requires a new contract for Primary Rate Interface (PRI) service to the following buildings:

2180 Scott Wheeler Dr. Marriottsville, MD
3430 Courthouse Dr. Ellicott City, MD
6751 Columbia Gateway Dr. Columbia, MD
7178 S Columbia Gateway Dr. Columbia, MD
8900 Columbia 100 Pkwy. Columbia, MD
8930 Stanford Blvd. Columbia, MD
9104 Guildford Rd. Columbia MD

PRI T1digital service connects the County owned Voice over IP (VoIP) phone system directly to the Verizon network. It provides the ability to make and receive phone calls, faxes, and video. The technology is more efficient and less expensive than analog service.

The initial contract period with Verizon is two years from execution of the agreement. By signing this multi-year agreement our recurring annual expense is reduced by approximately \$154,000. I believe the multi-year commitment of funds for the two-year period will require County Council approval.

The following documents are included for presentation to the County Council as attachments to the legislation:

Verizon Service Agreement

The fiscal impact for this multi-year contract is approximately \$9,075 per month or \$108,900 per year. This includes a \$60 per PRI (15) per month fee for the Centrex Intercom feature. Centrex is a service that provides switching at the central office instead of at the customer's premises. Typically, the telephone company owns and manages all the communications equipment and software necessary to implement the Centrex service and then sells various services to the customer, allowing the customer to connect multiple locations together as if it was localized campus.

If you have any questions related to this multi-year agreement, please contact me on ext. 3500, ilevy@howardcountymd.gov.

Attachments

cc: Darla Herbold
Jennifer Sager

PRIMARY RATE INTERFACE (PRI) CONNECTIVITY

FACT SHEET

1. Proposals were received from 3 telecommunication companies as follows:

	<u>Annual Cost (for 15 PRI)</u>
Verizon Maryland Inc.	\$98,100*
AT&T Corp	\$115,200
PAETEC	\$106,920

2. Verizon Maryland Inc. is the only company which offers 4 digit dialing between County owned Voice over IP (VoIP) and the Centrex phone system. This Centrex Intercom feature costs an additional annual fee of \$10,800. Without this option Verizon offers the least expensive contract.
3. It is recommended that the award be made to Verizon Maryland Inc. for the total amount of \$108,900 annually for the two year term, pending annual appropriated funding.
4. Funding is located in the FY10 Operating Budget, Telephone Services.



SERVICE AGREEMENT

(Intrastate ICB)

Routing Code: 5V

Customer Name	Howard County, Maryland ("Customer")	Main Billing Tel. No:	410-461-1661
and address:	9250 Bendix Road, Columbia, MD 21045	ICB Case No.	2009-482131

Services. Customer hereby requests and agrees to purchase from the Verizon company(ies) identified in the applicable Exhibit(s) ("Verizon") the services identified in Exhibit A attached to this Agreement, and in any Addendum expressly made a part hereof, and as further described in Verizon's applicable tariffs, (the "Services") for the service period stated in the Exhibit or Addendum applicable to such Service (the "Service Period"), subject to Verizon's receipt of any necessary regulatory and other governmental approvals required to provide the Services under the terms hereof. The Services will be provided under the terms of this Agreement to the Customer locations specified in the Exhibit(s) and Addenda attached to or made a part hereof.

Charges. Customer will pay the rates and charges set forth in the attached Exhibit(s) and in any Addendum made a part hereof, and shall also pay all applicable non-exempt taxes, fees, and charges, including Federal End User Common Line Charges, charged pursuant to applicable law, regulations, or tariffs in connection with the Services. If Customer cancels or terminates this Agreement or any Services prior to expiration of the Service Period, Customer will promptly pay to Verizon termination charges as set forth in the applicable Exhibit(s) and Addendum(a). Any tariffed back billing limitations otherwise applicable to the Services shall not apply under this Agreement.

Notices. Notices under this Agreement shall be sent by first-class U.S. mail, postage prepaid, to Customer at the address specified above, and to Verizon at Verizon Business, Attn: Customer Service, 6415 Business Center Drive, Highlands Ranch. Notices shall be deemed effective five business days after such mailing.

Miscellaneous. (a) Neither party will disclose the terms of this Agreement to any other person without the prior written consent of the other party, except as may be necessary to comply with applicable law, regulation, or filing requirements. Either party may issue or permit issuance of a press release or other public statement concerning this Agreement provided its contents have been reviewed and agreed upon by the parties.

(b) In the event of a claim or dispute, the law and regulations of the jurisdiction in which Verizon provides to Customer the particular Service that is the subject of such claim or dispute shall apply. This Agreement and its provisions shall not be construed or interpreted for or against any party hereto because that party drafted or caused that party's legal representative to draft any of its provisions.

(c) No liability shall result from Service failures caused by fires, floods, severe weather, acts of government or third parties, strikes, labor disputes, inability to obtain necessary equipment or services, or other causes beyond such party's reasonable control.

(d) If any provision of this Agreement or the provision of any Service under the terms hereof is illegal, invalid, or otherwise prohibited under applicable law or regulation in any State or jurisdiction, or does not receive any governmental or regulatory approval required by law in any State or jurisdiction, then this Agreement shall be construed as if not containing such provision or requiring the provision of such invalid, illegal, prohibited, or unapproved Service in such State or jurisdiction.

(e) Verizon may assign or transfer part or all of this Agreement to any affiliate or successor to substantially all of its assets in the locations where Service is provided hereunder. Upon reasonable prior written notice to Verizon, Customer may assign or transfer this Agreement to any company that is the successor to substantially all of its assets, provided all charges for Services provided prior to such transfer or assignment are paid in full when due. Except as otherwise required by applicable law or regulation, all other attempted assignments shall be void without the prior written consent of the other party.

(f) Except as otherwise required by applicable law or regulation, the Services provided hereunder may not be resold by Customer.

Tariffs and Limitation of Liability. The terms and conditions that shall apply in connection with these Services, and the rights and liabilities of the parties, shall be as set forth herein and in all applicable tariffs now or hereafter filed with the applicable state regulatory commission and/or the Federal Communications Commission. In no event shall Verizon be liable for any special, indirect, incidental, or consequential damages arising in connection with this Agreement or the provision of any Services, whether claim is sought in contract, tort (including negligence), strict liability or otherwise. Verizon's liability shall be limited to direct damages not to exceed the purchase price of the specific equipment, software or services giving rise to the claim. This Agreement (including the Exhibits attached hereto and any Addenda made a part hereof) and all applicable tariffs constitute the entire agreement between the parties and shall supersede all prior oral or written quotations, communications, negotiations, representations, understandings or agreements made by or to any employee, officer, or agent of any party on the subject matter hereof.



This Agreement may not be modified or rescinded except by a writing signed by authorized representatives of each party.

AGREED AND ACCEPTED:

Howard County, Maryland

By _____

Name/title _____

Date _____

Verizon Business Network Services Inc. on behalf of
Verizon Maryland Inc.

By _____

Name/title _____

Date _____



Exhibit A

Verizon company name: Verizon Maryland Inc. (referred to in this Exhibit as "Verizon")
 State: Maryland
 Customer name: Howard County, Maryland
 ICB Case No.: 2009-482131

USAGE AND PRIMARY RATE INTERFACE BUNDLED SOLUTION

1. Service. Customer agrees to purchase the Services set forth below in Section 3 from Verizon at the rates set forth below and in quantities set forth below for the Service Period identified herein. Any other work, services or facilities required will be provided subject to prevailing tariff rates and charges, or if no tariff is applicable, at Verizon's then-current retail rate. Customer shall provide to Verizon at each Customer location suitable and secure space, with suitable environmental conditions and uninterruptible power supply, building entrance facilities and conduit, for placement of the facilities and equipment to be used by Verizon to provide such Service. Services are available to Customer only if Customer has annual total communications billings in excess of \$100,000 and billings for current and proposed services provided by Verizon of \$10,000 or more. Customer represents that it satisfies this requirement.

2. Service Period. Customer shall purchase the Services as set forth below for a period of **twenty-four (24) consecutive months** following the execution of this Agreement, installation of Services (if not previously installed and cutover), and receipt of all necessary regulatory and other governmental approvals that may be required prior to the provision of such Services under the terms hereof ("Service Period").

3. Rates and Quantities. The rates herein are contingent upon Customer maintaining an average quantity of Service in service each month during each one (1) year period of the Service Period sufficient to meet the Monthly Minimum Line Commitment set forth below. The Customer may subscribe to additional circuits within established systems serving existing addresses during the service period in accordance with the rates, terms and conditions contained herein provided installed capacities for loop facilities and switch components are available for such additional circuits. The service period for all such additional circuits shall be coterminous within the service period set forth herein, unless the parties agree otherwise in writing. Should major additional loop facilities and/or switch components be required, resulting from growth within the existing addresses, Verizon will review the effect of these elements to determine if contract modifications are necessary. Likewise, should new services be required to additional addresses within the established fundamental wire center boundaries, Verizon will review the effect of these elements for the necessary contract modifications.

Monthly Minimum Line Commitment: 10 Lines

<u>Quantity</u>	<u>Service Item</u>	<u>Monthly Unit Rate (Ea)</u>	<u>Non-Recurring Charges</u>
15	ILEC IntelliLinQ PRI Arrangement Volume, w/ PRI DID Trunk Package w/ Virtual Flat Rate /20,000 local usage, Caller ID	\$525.00	Waived
	Optional Features		
	DID Trunks	\$0.0	Waived
	Call by Call Arrangement	\$0.0	Waived
	Call by Call Trunks	\$0.0	Waived
	Caller ID with Name	\$20.00	Waived
	Centrex Intercom Feature	\$60.00	Waived
	Federal Subscriber Line Charge (these are tariff rates that are subject to change throughout the contract term)	Tariff	N/A
	End User Port Charges (these are tariff rates that are subject to change throughout the contract term)	Tariff	N/A

The Monthly Unit Rate includes: (a) DID trunk terminations and call by call; and (b) up to an average of 20,000 local usage minutes per PRI for each month during each one (1) year of the Service Period.



Non recurring Charges (NRCs) are not applicable for initial Service installation. Local tariff NRCs will be waived for the installation of new circuits over the term of the contract. Applicable tariff NRCs will apply to any move or relocation of an existing Service or change to initial Customer configuration including PRI Optional Feature installations. PRI Optional Features may be ordered at any time during the Service Period.

5. Annual Review. This Service Agreement is contingent on Customer maintaining its Monthly Minimum Line Commitment and on paying additional usage charges if Customer exceeds its allocated usage minutes. Customer's compliance with such requirements shall be measured on an annual basis as set forth below. If Customer does not maintain its Minimum Monthly Line Commitment or exceeds its allocated usage minutes, Customer agrees to pay to Verizon any charges so resulting within thirty (30) days of billing such charges.

- (a) **Monthly Minimum Line Commitment.** If during any one (1) year of the Service Period Customer does not purchase sufficient quantities of Service to meet an average quantity of Service equal to the Monthly Minimum Line Commitment for such one (1) year period, Customer shall pay to Verizon an amount equal to the difference between the average Monthly Minimum Line Commitment and the year-to-date average quantity of all lines in service for such one (1) year period multiplied by the Monthly Unit Rate multiplied by twelve (12).
- (b) **Additional Usage Charges, year one (1) of the Service Period and each year thereafter.** If Customer's total local usage minutes billed by Customer's billing telephone numbers ("BTN") specified below exceeds an average (total minutes of use billed and divided by twelve (12)) per line per month of 20,000 local usage minutes during any one (1) year of the Service Period, Customer shall pay to Verizon additional usage charges at a rate of \$.016 per local usage minute for each such one (1) year period ("Additional Usage Charges").

6. Termination And Termination Charges.

- (a) At each annual anniversary of the commencement of the Service Period ("Annual Anniversary Date"), Customer may terminate this Agreement without liability for termination charges by providing Verizon with at least sixty (60) days written notice prior to the Annual Anniversary Date. If Customer provides such notice, the Agreement shall terminate on the anniversary date of the commencement of the Service Period and Customer shall pay for Services rendered up to the date of termination plus any amounts that may be due Verizon pursuant to paragraph 5 above.
- (b) If this Agreement is terminated for any reason except as set forth in (a) above prior to the expiration of the Service Period, Customer shall pay Verizon termination charges as follows: the sum of \$525.00 per average Lines in Service multiplied by the number of months that the terminated lines have been in service.
- (c) Termination charges are not applicable to PRI Optional Features.

7. Additional Provisions.

- a. **Conditions.** The parties acknowledge that the rates and other terms of this Agreement are premised on Customer's commitments, unique network design requirements, and Customer's service mix, usage patterns and concentration, and other characteristics.
- b. **Service Continuation.** (i) If, at the time of expiration of the Service Period, a new agreement or tariffed service arrangement with Verizon for the Services is not effective as defined above and Customer has not requested, in writing, disconnection of the Services, then the Services will be reverted to applicable tariff or other Commission-authorized rate(s) for the minimum service commitment period available. The applicable tariff or other Commission-authorized service arrangement will govern the service arrangement prospectively, including rates, terms and conditions, which may include charges for termination prior to the end of the minimum tariff service commitment period. If there is no applicable tariff or other Commission-authorized service arrangement, then the Service will be subject to disconnection upon the expiration of the Service Period of this Agreement. If, upon expiration of the Service Period, there is a delay in reverting rates to the applicable tariff or other Commission-authorized rate(s), or in disconnecting the Services if no tariff or Commission-authorized service arrangement is available, the Service Period shall be deemed temporarily extended on a month-to-month basis until such reversion of rates or disconnection of Services is completed. In no event, however, will such temporary extension of the Service Period continue more than twelve (12) months after the expiration of the initial Service Period. (ii) If Customer indicates to Verizon in writing that it desires to negotiate a new contract or tariffed service arrangement to continue or replace the Services provided for herein, the Service Period shall automatically be extended for a period not to exceed sixty (60) days from the end of the initial Service Period to allow the parties to finalize a new agreement or to transition to a tariffed service arrangement. Written notice must be provided by Customer at least thirty (30) days prior to the end of the Service Period. For purposes of this paragraph only, written notice may be by facsimile or electronic mail.
- c. **Detariffing.** In the event any of the Services are hereafter detariffed, then the terms of the tariffs in effect immediately prior to such detariffing shall be deemed to be incorporated by reference and shall continue to apply to the provision of the Service to the same extent as such tariffs applied hereunder prior to such detariffing.
- d. **Facilities.** Additional charges may be required if suitable facilities are not available to provide Services at any locations, or if any additional work, services, or quantities of Services are provided. In the event installation of additional network facilities is required to



provide Services, Verizon will inform Customer of such applicable charges, and Verizon will install such facilities only upon mutual written agreement of the parties to such additional charges. If Customer does not agree to pay such additional charges, then this Agreement will be subject to termination by Verizon without application of the termination charges described above.

e. Verizon, at its discretion, may void this Agreement if this Agreement is not signed and dated by Customer on or before August 31, 2009.

8. **Location(s).** The Services and charges set forth in this Exhibit A are available to Customer at the following billing telephone numbers and locations. Prevailing tariff rates or, if no tariff is applicable, Verizon's then-current retail rate applies to all other Customer billing telephone numbers and locations. Other Customer billing telephone numbers and locations may be added to this Agreement only upon mutual assent of the parties.

2180 SCOTT WHEELER DR MARRIOTTSVILLE MD
3430 COURT HOUSE DR ELLICOTT CITY MD
6751 COLUMBIA GATEWAY DR COLUMBIA MD
7178 S COLUMBIA GATEWAY DR COLUMBIA MD
8900 COLUMBIA 100 PKWY COLUMBIA MD
8930 STANFORD BLVD COLUMBIA MD
9104 GUILFORD RD COLUMBIA MD

4107922003547
4104611507101
4104651271402
4103136300964
4104611661409
4104652381795
4104802587309
4104652041478
4104612027139

