



AGENDA REPORT

TO: Jestin D. Johnson
City Administrator

FROM: Tony Batalla
Director, Information
Technology Department

SUBJECT: Broadband Network Design &
Engineering for Oakland Connect

DATE: September 30, 2024

City Administrator Approval


Jestin Johnson (Oct 29, 2024 13:45 PDT)

Date: Oct 29, 2024

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To Enter Into A Professional Services Agreement With Kimley-Horn And Associates, Inc., For A Not To Exceed Contract Total Amount Of \$1,354,000 With A Term Starting October 1, 2024 And Ending January 31, 2029 For Engineering Design Services In Support Of A Grant Award Received By The City Of Oakland From The California Public Utilities Commission (CPUC), Last Mile Broadband Program And To The Extent Necessary, Waiving The Local/Small Local Business Enterprise Program Requirements And The Competitive Multiple-Step Proposal Solicitation Process Requirements.

EXECUTIVE SUMMARY

Staff Recommends that the City Council adopt the proposed resolution authorizing the City Administrator to enter into a professional services agreement with Kimley-Horn and Associates, Inc., for a total amount of \$1,354,000 over a period beginning October 1, 2024, and ending January 31, 2029, for network design and engineering services under the CPUC Last Mile Broadband grant program.

BACKGROUND / LEGISLATIVE HISTORY

On December 20, 2022, the City Council authorized resolution number [89537](#) C.M.S, providing approval for the City Administrator to accept and appropriate grant funds in the amount of \$500,000.00 from the California Public Utilities Commission's (CPUC) Local Agency Technical Assistance (LATA) program to reimburse the City's cost for strategic planning and readiness to develop a fiber optic broadband network in Oakland, California.

On June 6, 2023, the City Council authorized resolution number [89760](#) C.M.S, providing approval for the City Administrator to enter into a Professional Services Agreement with Kimley-Horn in the amount of \$500,000.00 to provide consulting services to implement the LATA technical assistance planning grant and broadband master plan.

Finance & Management Committee
November 19, 2024

On September 17, 2024, the City Council authorized resolution number [90407](#) C.M.S, providing approval for the City Administrator to accept and appropriate grant funds in the amount of \$14,026,946.15 from the CPUC's Last Mile Broadband Program to reimburse the City's cost of planning and constructing a fiber optic broadband network enhancing internet connectivity across underserved communities in Oakland. This recommended policy would allow the first step of the project, planning, and network design, to commence.

The Department of Technology's (ITD) full grant application to the CPUC can be accessed online here: <https://broadbandportal.cpuc.ca.gov/s/gms-application/a0K3d000002YqwREAS/oakland-connect-last-mile-connectivity-for-oaklanders>.

ANALYSIS AND POLICY ALTERNATIVES

Per the terms of the City's grant proposal, the City of Oakland will construct a City-owned hybrid middle mile/last mile fiber optic network, consisting of 12.85 miles of new middle mile fiber (144-count SMFO cable), 11.75 miles of existing City municipal fiber (144-count) for middle mile, and 9.28 miles of new last mile fiber connections (12-strand SMFO cable), primarily in disadvantaged and underserved locations throughout Oakland. The City's middle mile ring will include a connection to the State's planned middle mile network.

The proposed network infrastructure aligns with the CPUC Last Mile program goal to close the digital divide by investing in last mile connections for households that lack reliable, highspeed broadband access. This impedes economic mobility, compounding the generational impacts of historical redlining and divestment. Additionally, this investment in City infrastructure will create redundancy in existing City fiber-optic circuits that operate and communicate to public safety networks, including Fire, OPD, and emergency services.

The Agenda report accompanying resolution number [90407](#) C.M.S details the overall plan for implementing this grant, including the need for ITD to prepare and submit additional agreements for Council review, including this one, for Network Design and Engineering Services.

The project plan includes several phases to ensure the successful completion of the construction project and deliver fiber optic lines capable of bringing network connectivity directly to areas identified in the initial grant application. While the City is the lead on this effort, ITD has identified the need for specific and technical services related to this project.

Kimley-Horn and Associates, Inc., will participate in the following key milestone activities alongside the City:

- Review and document requirements to be satisfied by the materials, designs, and services requisite for completing the fiber buildout.
- Provide detailed mapping of new and existing fiber routes.
- Coordinate with the City to finalize routes and provide detailed network design and engineering plans.
- Prepare all construction diagrams and documents.
- Participate in the environmental document process.
- Partner on all related activities through project completion with all involved Oakland Departments.

This part of the project must be completed before the City can move forward with the construction process per the City's codes and regulations. Collectively, the activities proposed in this application support the Citywide priority of **Housing, Economic, and Cultural Security** by helping ensure that traditionally underserved areas in Oakland are prioritized in the delivery of low-cost or no-cost broadband services. Failing to adequately plan the network design and engineering portion of this project could jeopardize both the CPUC grant and the full implementation plan for the City of Oakland.

Waiver Justification

Oakland Municipal Code ("OMC") Title 2, Chapter 2, Article I, section 2.04.042 B. requires that the City Administrator conduct a competitive multiple-step proposal solicitation process for the acquisition of technical professional services.

OMC section 2.04.042 D. provides that the City Council may waive the competitive multiple step proposal solicitation process upon a recommendation of the City Administrator and finding and determination by the City Council that it is in the best interests of the City to waive the competitive multi-step proposal solicitation requirement; and

Staff recommends that it is in the best interest of the City to waive the competitive multiple-step proposal solicitation process for the following reasons. The network design plans require an experienced strategic partner, and timing is critical given the limited time window for project implementation outlined by the CPUC.

ITD has been working with Kimley-Horn through the previously authorized CPUC LATA grant program for technical assistance and planning related to the City's broadband efforts. The scope to develop the full set of design and engineering plans and assist ITD with issuing construction bid documents builds on this past work and is a direct continuation of work already in progress. ITD has determined Kimley-Horn's results thus far to be satisfactory and consistent with expectations.

In consideration of the specific and technical nature of the required work on this project, the time constraints, the ongoing work established with Kimley-Horn, and the critical results which will benefit Oakland residents and businesses, ITD has determined that requesting waivers of competitive billing and Local/Small Local Business Enterprise (L/SLBE) is justified.

Staff is seeking an experienced professional services team to assist with the lead-off project for this grant implementation, network design, and engineering. Kimley-Horn and Associates, Inc., has a history of technical work with the City on prior projects, and brings both familiarity and deep expertise with the City's fiber optic network. Given the criticality of this project, the need to have a firm understanding of Oakland's existing fiber network, and the scope of professional work required, a waiver of the competitive and L/SLBE requirements is reasonable and economical under the circumstances.

FISCAL IMPACT

The proposed resolution will authorize the City Administrator to enter into an agreement for a not to exceed total contract amount of \$1,354,000 from October 1, 2024, to January 31, 2029. Funding for the contract will come from the CPUC grant funds in the State of California Other Fund (2159), Administrative Services Organization (46111), Oakland Connect Last Mile Project (1007582), and Technology Management Program (IP62).

PUBLIC OUTREACH / INTEREST

Over a time period of approximately two years, the CPUC designed statewide grant guidelines and rules with public input at each stage of their process. Additionally, grant applications were published, and allowed for any individual, group, or corporation to pose questions and raise objections. It was the responsibility of applicants to address any concerns/objections raised about their projects individually.

Within the City of Oakland, City departments and grassroots organizations have been coordinating and seeking community input on the issues of internet accessibility for years. The City collects data on underserved areas and was able to quantify the projected number of connections through this project.

Following the grant award, no additional outreach was deemed necessary for the proposed policy action beyond the standard City Council agenda noticing procedures because the application has been vetted at multiple stages, and the funding being used for this project is being granted via a Federal program.

COORDINATION

This report and legislation have been reviewed by the Office of the City Attorney, the Controller's Bureau, the Department of Finance, and the City Administrator's Office.

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

ITD has completed previous projects with Kimley-Horn and Associates and deemed their performance to be satisfactory.

SUSTAINABLE OPPORTUNITIES

Economic: Ensuring that robust and low-cost/ no-cost internet solutions across historically disadvantaged portions of Oakland will help ensure connectivity for more households, community activation sites, and critical areas along the proposed implementation corridor.

Environmental: Access to reliable internet infrastructure at individual residential sites will decrease the transportation needs of residents who leave their residences for internet access in

the past. Additionally, internet solutions that encompass document storage will reduce the need for traditional printing and copying that may have been required at offsite solutions previously.

Race & Equity: Reliable and equitable access to the internet supports racial equity goals and directly addresses racial disparities.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That the City Council Adopt a Resolution Authorizing the City Administrator To Enter Into A Professional Services Agreement With Kimley- Horn And Associates, Inc., For A Not To Exceed Contract Total Amount Of \$1,354,000 With A Term Starting October 1, 2024 And Ending January 31, 2029 For Engineering Design Services In Support Of A Grant Award Received By The City Of Oakland From the California Public Utilities Commission (CPUC), Last Mile Broadband Program And To The Extent Necessary, Waiving The Local/Small Local Business Enterprise Program Requirements And The Competitive Multiple-Step Solicitation Process Requirements.

For questions regarding this report, please contact Tony Batalla, Information Technology Director, at 510-238-3319.

Respectfully submitted,



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