



## **Council Technology Application Committee (CTAC)**

### **Meeting Minutes of December 6, 2018**

**Members Present:** Al Mendall, Mark Salinas, Elisa Marquez (Absent)

**Staff:** Kelly McAdoo, Adam Kostrzak, John Stefanski, Maritza Vargas, Nathaniel Roush, John Stefanski, Jennifer Ott, Linda Mitchell, Carolyn Saputo, Alex Tat

**Guests:** Brett Woollum, Tekify/CTC Group

**Public Comments:** IT Director Adam Kostrzak notified the Committee that item #2 will be pulled, it's not ready for discussion.

#### **1. Approval of Minutes:**

Minutes of September 13, 2018 Approved

#### **2. Review of Proposed Children's Internet Protection Act Policy for the Hayward Public Library – Staff Report**

IT Director Adam Kostrzak notified the Committee that item #2 will be pulled, it's not ready for discussion.

#### **3. Review of Proposal to Rescope and Phase the Highspeed Hayward Economic Development Administration Grant – Staff Report**

Deputy City Manager, Jennifer Ott gave the Committee an update on the Review of Proposal to Rescope and Phase the Highspeed Hayward Economic Development Administration Grant. We received a Grant for \$2.7 million dollars and had an 11-mile loop planned. Given infrastructure costs and the latest cost estimates after planning, we believe it is better to phase the miles in a more feasible way to try and make sure we're delivering on a project sooner rather than later. As a result, we've had some very initial conversations with the EDA (Economic Development Administration). We believe this is the most feasible way to move forward more quickly with the project.

Management Analyst John Stefanski, gave the Committee an overview on the project. The current project route that's included in the Grant has 11 miles of new construction that would connect into the City's existing 9 miles of conduit and fiber. The Grant requires at least 9 pull boxes, 3 railroad crossings and 1 Cal Trans crossing which constrains where we're allowed to construct given those

parameters and we're to begin construction by August 1, 2019. The current funding of the Grant and the total obligation all in is \$5.4 million dollars which is what has been budgeted and is a 50% match with the EDA. The EDA picks up \$2.7 million dollars which is a direct payment, but the City's 50% contribution in the application was that the City would contribute right-of-way evaluation in which we did for \$2.1 million dollars. The general fund allocation of \$636,000 has taken place over the last two fiscal years and has been funding all the progress that's been made on the Grant thus far. As a result, that leaves on the table \$3.3-\$3.4 million dollars in cash to actually physically construct the fiber loop. At the time of the Grant application in 2015, Public Works included a 25% contingency in that estimate.

In the last couple of months we have received our 65% plan specs and are reviewing those right now. As a part of that, we're able to put together some project estimates based on their experience doing these projects elsewhere in California and do some additional research so that we would have a more accurate picture of what the true cost of what this loop would be. They broke it out into roughly 11 miles of construction, they're estimating that the true cost would be \$6.5 million dollars and that also includes a 25% contingency. The position that it puts the City in, there is a funding gap of \$3.1 million dollars to complete the full 11 miles. In discussions with Kimley-Horn, they have recommended moving a phase of the project in such a way that we would still be able to achieve the Grant's original goals while building in additional redundancy to the loop. They recommend the first phase of new construction to go along W. Winton-Cabot-Whitecell and then looping back up to Clawiter that essentially creates a smaller mini loop about 4.6 miles which 3.3 miles of it would be new construction on the Northern side of SR-92.

In the future, we would look to engage EDA on other Grant applications to complete the second phase and then the finally the third phase, the Huntwood Loop. The Huntwood Loop is particularly difficult because of the significant number of railroad crossings and railroad lines that intertwine. The idea behind this is working to achieve the Grant's original intent and goals in providing high speed broadband access to our industrial corridor.

The 2015 industrial corridor report that was done by Paul Nguyen in Economic Development identifies where the clustering of employment was within the industrial corridor. The mini loop would cost \$1.8 - \$1.9 million dollars, the current Grant actually has construction at \$2.1 million dollars, so that actually gives us even with the 25% contingency a little comfort and any growth and additional construction costs. The reason that's important is because Public Works has been experiencing bids coming in between 30% - 100% higher than what the Engineers are initially estimating and that's just the cost of doing construction in the Bay Area at this time. It's something that the City of Vallejo saw, San Leandro had the same issue when they were constructing their fiber loop under the EDA Grant and we feel that this is going to be the best way to go moving forward. Without further delays in EDA response we anticipate construction would begin August of 2019 and should be done shortly thereafter in 6-9 months.

Realistically, we would be able to have the infrastructure in place by mid 2020, but the issue there is making sure that at the same time we're making sure we're getting a Fiber Manager on board who's going to be able to help manage and actually light up the lines, engage with businesses to have them sign and use the service. There may be a large opportunity forthcoming with the Wireless Ordinance and Dig Once Ordinance where we may be able to leverage those relationships with telecommunications in the private sector to give us access to additional fiber throughout areas that aren't on this route. For the first phase we would use the entire Grant and there is no additional cost to the City. We'll look into any remaining funds from Phase 1 that can be used for Phase 2.

**Public Comments**

None

**Standing Meeting Items**

Fiber Grant

Fiber Master Plan

**Future Agenda Items**

Adam Kostrazak - No future agenda items at this time.

**Committee Member/Staff Announcements and Referrals**

None

**Next Meeting: There will be no future meetings, this meeting body was discontinued by the City Council on January 29, 2019.**

**Meeting adjourned at 4:55pm**