



# City of Culver City

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## Staff Report

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**CC - CONSENT ITEM: (1) Approval of an Agreement with Inyo Networks Inc (dba Onward), to Install Network Infrastructure and Obtain Internet Communication Services to Support City-Provided Public Wi-Fi and to Provide Internet Connectivity for Municipal Operations Utilizing the City's Municipal Fiber (Culver Connect) in an Amount Not-to-Exceed \$64,000 for the First Year; and (2) Authorize the City Manager to Approve Ongoing Expenditures for Annual Reoccurring Internet Service Costs with Inyo Networks Inc (dba Onward) until Substantially Changed or Terminated.**

**Meeting Date:** January 22, 2024

**Contact Person/Dept:** Michele Williams / Information Technology  
**Phone Number:** 310-253-5959

**Fiscal Impact:** Yes  No       **General Fund:** Yes  No

**Public Notification:** (E-Mail) Meetings and Agendas - City Council (01/17/2024)

**Department Approval:** Michele Williams, Chief Information Officer (01/09/2024)

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### **RECOMMENDATION**

Staff recommends the City Council 1) approve an agreement with Inyo Networks Inc (dba Onward), to install network infrastructure and obtain internet communication services to support city-provided public Wi-Fi and internet connectivity for municipal operations utilizing the City's Municipal Fiber Network (Culver Connect) in an amount not-to-exceed \$64,000 for the first year; and 2) authorize the City Manager to approve ongoing expenditures for annual reoccurring internet service costs with Inyo Networks Inc (dba Onward) until substantially changed or terminated.

### **BACKGROUND/DISCUSSION**

On March 18, 2020, City Council approved a professional services agreement with Inyo Networks to operate, maintain and provide internet service provider (ISP) services on the City's Municipal Fiber Network (Culver Connect). The agreement was based on Inyo Networks' proposal in response to the City's Request for Proposals (RFP). On August 6, 2020 the City and Inyo Networks entered into a master network agreement. The initial term of the agreement is five years and allows for five additional annual renewals up to a total term of ten years as authorized by the City Council as part of its March 18, 2020 motion. The agreement also includes terms for revenue sharing resulting from

ISP service customer revenue. In 2021, Inyo Networks established the dba, Onward and rebranded their organization.

In addition to its role in Culver Connect for the City of Culver City, Onward serves as network manager and service provider for OntarioNet and RC Fiber, the commercial and residential fiber networks in the City of Ontario, the community of Nicasio, and the City of Rancho Cucamonga. Onward also operates and manages Digital 395, which is a regional fiber network serving 287 schools, hospitals, government buildings and wholesale customers along the US Route 395 corridor in eastern California.

Onward has been growing its ISP customer base in Culver City. While the City has other ISP options, the partnership with Onward is unique in that the services they provide are delivered entirely on Culver Connect, the City-owned fiber infrastructure. From its inception, one of the objectives of Culver Connect was to transition internet services supporting municipal operations to the Culver Connect fiber infrastructure.

The master network agreement between the City and Onward contemplated the City utilizing Onward for internet connectivity. In an effort to secure most favorable pricing, the agreement details the following:

*The City has the right to purchase ISP services from Inyo (dba Onward) at the most favorable rates, terms and conditions that Inyo (dba Onward) offers any of its commercial customers. Inyo (dba Onward) has agreed that rates offered to the City for any ISP services desired shall not exceed the lowest price offered to any other customer for similar services.*

The Information Technology (IT) Department has been working with the Parks Recreation Community Services (PRCS) Department to formalize a plan for deploying Wi-Fi to City parks to primarily support staff operations and to also provide the public with a courtesy connectivity option. Wi-Fi services are currently available at Veterans Memorial Park; however, in an effort to reduce cost and save the City money, staff is recommending that the internet circuit would be transferred to Culver Connect fiber using Onward internet. Staff continues to analyze deploying wireless services at the parks where they are geographically accessible to the Culver Connect infrastructure. For the parks that are located too far away (cost prohibitive) from the City's existing fiber infrastructure, alternative connectivity options would be explored such as radio-wave connectivity or engagement with an alternate ISP. Once finalized, staff will report back to the City Council for approval on the Parks Wireless Deployment Plan.

The parking system currently installed at City Hall and the parking garages (Cardiff, Ince and Watseka) utilizes an internet circuit that is located at City Hall. In transitioning City Hall and the parking garages to the Culver Connect infrastructure with an Onward internet circuit, redundancy would be achieved with a meshed network between all four locations. It would also provide additional bandwidth which could support future projects including security cameras.

Staff recommends obtaining ISP services from Onward where practical to support municipal operations. This would include internet service at City Hall/other City buildings, internet circuits used to support the parking garages, and City-provided public Wi-Fi. Onward has provided favorable quotes for internet circuits that average fifty percent (50%) lower than the City's current providers for comparable bandwidth/services. Given Onward's significant lower pricing, there are opportunities for

the City to obtain increased bandwidth speeds at a lower cost expenditure.

Pursuant to CCMC Section 3.07.065, professional or general services are exempt from formal competitive bid procedures, provided the contract is based upon competitive quotations, whenever practical, as determined by the City Manager. Additionally, internet circuits and ISP service qualifies as a general service per the municipal code as detailed in 3.07.065.C.1 (any communication, gas, water, electric light and power service or similar utility service). As the master network agreement with Onward included language stating the company would give the City the most favorable pricing and Onward is the only provider able to deliver service on Culver Connect, the City Manager determined competitive quotations are not needed.

**FISCAL ANALYSIS**

Approval of an agreement with Onward to install infrastructure and to obtain internet connectivity for municipal operations and internet communication services to support City-provided public Wi-Fi utilizing the City’s Municipal Fiber Network (Culver Connect) would result in an expenditure not-to-exceed \$64,000 for the first year that includes the following:

<b>Description</b>	<b>Account</b>	<b>One Time Infrastructure Costs</b>	<b>Annual Recurring Internet Cost</b>
Internet at City Hall and other City Building, and Miscellaneous Circuits and Wireless Deployment	42080000.730100.PT001	\$20,000	
	31016100.512400		\$35,000
Parking Garages Internet and Meshed Network	47555100.600100	\$900	
	47555310.600100		\$2,700
	47555380.600100		\$2,700
	47555580.600100		\$2,700
<b>Total Estimates - \$64,000</b>		<b>\$20,900</b>	<b>\$43,100</b>

The above cost estimates include one-time infrastructure costs for network gear (routers/network devices) required to facilitate the internet connectivity. The annual recurring costs represent the expenditures for the internet service utility.

The Adopted Budget for Fiscal Year 2023-2024 includes sufficient funding for the agreement in the above detailed accounts. Those accounts include CIP PT001 (Wireless Deployment Strategy), 31016100.512400 (Non-Departmental - Communications) and Parking Authority operating accounts for the Cardiff, Ince and Watseka parking structures. Annual recurring internet costs in future fiscal years will be budgeted in the respective accounts during the budget process.

## ATTACHMENTS

None.

## MOTION

That the City Council:

1. Approve an agreement with Inyo Networks (dba Onward) to install infrastructure and to obtain internet connectivity for municipal operations and internet communication services to support City provided public Wi-Fi utilizing the City's Municipal Fiber Network (Culver Connect) in an amount not-to-exceed \$64,000 for the first year; and
2. Authorize the City Manager to approve ongoing expenditures for annual reoccurring internet service costs with Inyo Networks Inc (dba Onward) until substantially changed or terminated;
3. Authorize the City Attorney to review/prepare any necessary documents; and
4. Authorize the City Manager to execute such documents on behalf of the City.