Staff Report Details (With Text)

File #:	21-456	**Version:**	1	**Name:**	
Type:	Minute Order			**Status:**	Consent Agenda
File created:	11/1/2020			**In control:**	City Council Meeting Agenda
On agenda:	11/9/2020			**Final action:**	
Title:	CC - (1) Approval of a Term Sheet with Ting Fiber, Inc. for a Citywide Fiber-Optic Network; and (2) Authorization to the City Manager to Negotiate Related Agreements Consistent with Such Term Sheet.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	1. 2020-11-09 ATT Ting Term Sheet.pdf				

Date	Ver.	Action By	Action	Result

CC - (1) Approval of a Term Sheet with Ting Fiber, Inc. for a Citywide Fiber-Optic Network; and (2) Authorization to the City Manager to Negotiate Related Agreements Consistent with Such Term Sheet.

Meeting Date: November 9, 2020

Contact Person/Dept: Jesse Mays, Assistant City Manager/ City Manager's Office
Phone Number: (310) 253-6000

Fiscal Impact: Yes [] No [X] **General Fund:** Yes [] No [X]

Public Hearing: [] **Action Item:** [X] **Attachments:** [X]

Commission Action Required: Yes [] No [X] **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (11/04/2020); Municipal Fiber Network (11/04/2020)

Department Approval: John Nachbar, City Manager (11/03/2020)

RECOMMENDATION

Staff recommends the City Council (1) approve a term sheet with Ting Fiber, Inc. ("Ting") to construct, own and operate a citywide fiber-optic network in the City's public right-of-way; and (2) authorize the City Manager to negotiate and execute related agreements consistent with such term sheet.

BACKGROUND

Ting is owned by Tucows, Inc., a publicly traded internet services and telecommunications company headquartered in Toronto, Ontario, Canada. Originally a wireless company, Ting's first partnership with a city to provide a fiber network began in Westminster, MD in 2015. Ting now operates fiber networks in seven cities nationwide: Centennial, CO, Charlottesville, VA, Fullerton, CA, Fuquay-Varina, NC, Holly Springs, NC, Sandpoint, ID, and Westminster, MD, and is in the process of completing fiber networks in four other cities: Roaring Fork, CO, Rolesville, NC, Solana Beach, CA, and Wake Forest, NC. Ting currently provides 1GB of residential service (1000MB upload and download speed) for $89/month.

DISCUSSION

Ting has proposed to construct and operate a citywide fiber-optic network in the City's public right-of-way. The network would provide fiber-to-the-home (FTTH) to most Culver City residences, as well as businesses. Ting plans to build its network using microtrenching, and also license assets from the City's Culver Connect municipal fiber network. Ting will offer, at a minimum, a speed tier of up to 1 (one) symmetrical gigabit per second (Gbps) to residents

The microtrenching techniques and materials used are relatively new to the market. Microtrenching has been used in cities throughout the country, but long-term data about how the materials have held -up over long periods of time does not yet exist. Public Works staff will develop microtrenching standards to which Ting will be required to adhere and to the greatest extent possible, the City will place the responsibility on Ting for repairs and replacement arising from its use of microtrenching.

Microtrenching is very noisy, but also proceeds very rapidly, so the major impact of construction in front of any given residence or business would only be expected to last a day or less. However, no parking will be allowed on the impacted blocks on the day of construction. Ting will install handholds (fiber access boxes) in the public-right-of-way in front of each property. These will typically be in the landscape area in between the sidewalk and street, but in some cases will be in other parts of the right-of-way, such as a driveway.

The terms Ting has agreed to are contained in the attached Term Sheet. If the City Council approves, the City Manager will execute the Term Sheet. Staff also recommends the City Council authorize the City Manager to work with the City Attorney to complete and execute the additional agreements referred to in the Term Sheet.

FISCAL ANALYSIS

The City will experience additional staff and/or consultant costs to provide streamlined processes and expedited response times for permits, as well as review permits and inspect such a large project; however, the City will collect cost recovery fees according to the approved fee schedule to offset the cost.

ATTACHMENTS

1. 2020-11-09 ATT Ting Term Sheet

MOTION

That the City Council:

1. Approve the Term Sheet with Ting Fiber, Inc. for the construction of a fiber-optic network in the City's public right-of-way; and

2. Authorize the City Manager to negotiate related agreements consistent with such Term Sheet; and

3. Authorize the City Attorney to review/prepare the necessary documents; and,

4. Authorize the City Manager to execute such documents on behalf of the City.