



City of Culver City

Mike Balkman
Council Chambers
9770 Culver Blvd.
Culver City, CA 90232
(310) 253-5851

Staff Report Details (With Text)

File #: 23-504 **Version:** 1 **Name:**
Type: Minute Order **Status:** Consent Agenda
File created: 12/21/2022 **In control:** City Council Meeting Agenda
On agenda: 1/9/2023 **Final action:**
Title: CC - CONSENT ITEM: Approval of an Agreement with Calix Inc. for the Purchase of Networking Equipment and Maintenance to Support the Deployment of Internet Service Provider (ISP) services using the City's Municipal Fiber Network (Culver Connect) in an Amount Not to-Exceed \$114,000.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

CC - CONSENT ITEM: Approval of an Agreement with Calix Inc. for the Purchase of Networking Equipment and Maintenance to Support the Deployment of Internet Service Provider (ISP) services using the City's Municipal Fiber Network (Culver Connect) in an Amount Not to-Exceed \$114,000.

Meeting Date: January 9, 2023

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

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

Attachments: Yes ☐ No ☒

Commission Action Required: Yes ☐ No ☒ **Date:**
Commission Name:

Public Notification: (E-Mail) Meetings and Agendas - City Council (01/04/2023); Gene Burgess, Regional Sales Manager (12/21/2022), Nick Keeler, CEO Inyo Networks (12/21/2022)

Department Approval: Michele Williams, Chief Information Officer (12/21/2022)

RECOMMENDATION

Staff recommends the City Council approve an agreement with Calix in an amount not-to-exceed \$114,000 for the purchase of networking infrastructure components and maintenance services.

These items will be procured to support the deployment and operation of Internet Service Provider (ISP) services using the City's Municipal Fiber Network (Culver Connect).

BACKGROUND

On March 18, 2020 City Council approved a five-year professional services agreement with Inyo Networks (dba Onward), Inc to operate, maintain, and provide commercial ISP services using the City's Municipal Fiber Network, Culver Connect. Onward is a nationally recognized broadband network operator and service provider incorporated in April 2009 and based in Rancho Cucamonga, CA.

Onward provides commercial ISP services (such as internet access and voice over internet protocol (VOIP)) to subscriber businesses and institutions in Culver City using Culver Connect networking infrastructure.

On October 26, 2020 City Council approved an agreement with Calix to purchase networking equipment to support business customers. On June 14, 2021 City Council authorized Onward to also provide residential internet services.

DISCUSSION

In order to support the deployment and operation of internet services, the City needs to procure additional networking hardware components. Inyo Networks is the provider of the service, but the City retains full ownership of the network hardware and fiber infrastructure that will be used to deploy the commercial ISP services.

Inyo Networks has provided staff with a list of required networking equipment to be procured from Calix Inc. Calix is headquartered in San Jose, CA. They are a global premier provider of scalable hardware/software in support of enterprise network infrastructure. Components purchased from Calix will be used in conjunction with existing Culver Connect network infrastructure.

Pursuant to Culver City Municipal Code (CCMC) Section 3.07.055.B, this purchase is exempt from bidding requirements, as the equipment is a component for equipment or a system of equipment previously acquired by the City, and is necessary to repair, maintain or improve the City's utilization of the equipment. Additionally, this procurement is exempt from formal bidding procedures per CCMC Section 3.07.055.E, which exempts bidding requirements where items to be purchased are computer software, hardware maintenance or software maintenance services.

FISCAL ANALYSIS

There is sufficient funding in the Adopted Budget for Fiscal Year 2022/2023 in the Municipal Fiber Network Fund (Capital Lateral Development) in Account No. 20580000.732150.PT004 to support this purchase of network equipment and the initial maintenance service agreement.

It should be noted that the City's agreement with Inyo Networks includes a 50% revenue share for commercial ISP services. It is difficult to project expected revenues from the City's 50% share as the amount of revenue depends on the local "take rate," or number of Culver City businesses who

subscribe to Inyo's services. Revenue updates will be provided to the City Council during the City's budget update process.

ATTACHMENTS

None.

MOTIONS

That the City Council:

1. Approve an agreement with Calix Inc for the purchase of networking infrastructure components and maintenance services in an amount not-to-exceed \$114,000 to support the deployment and operation of ISP services using Culver Connect Network; and
2. Authorize the City Attorney to review/prepare the necessary documents; and
3. Authorize the City Manager to execute such documents on behalf of the City.