



Board Report

File #: 2020-0290, **File Type:** Motion / Motion Response

Agenda Number: 37.

**EXECUTIVE MANAGEMENT COMMITTEE
APRIL 16, 2020**

Motion by:

DIRECTORS BUTTS AND HAHN

South Bay COG Fiber Optic Ring Urgency Motion

The South Bay Cities Council of Governments (SBCCOG) is requesting of the Metro Board an urgent approval to expend an additional \$2.5 million in Measure M South Bay TSMIP 2 funds for the South Bay Fiberoptic Network Project bringing the LOP Cost to \$6.9 million.

While the SBCCOG would normally expect the Metro Board to include the requested project funding in its FY 2020-21 budget, the SBCCOG has requested an early approval through this motion to avoid additional delay costs or potential contractor personnel demobilization in the active South Bay Fiberoptic Network project.

Now, more than ever before, it is important for South Bay local jurisdictions to have broadband capability to communicate with first responders, to support their employees that can work offsite of municipal facilities, and to consider extending their broadband networks to more effectively serve their residential and business constituents via digital service programs. In addition, L. A. Metro has recognized the value of the SBFN for transportation uses and will provide links to three of their sites. Connecting municipal sites to regional agencies like Metro will open new opportunities to improved coordination and communication. The L. A. County Department of Public Works is also seeking approval to connect their Information Exchange Network of synchronized signals in the South Bay to the SBFN.

On March 9, 2020 the SBCCOG approved submittal of a five -year Metro Budget Request (MBR) for Measure R and M South Bay sub-regional funding beginning in July 2020. Included in the MBR request is the \$2.5 million of Measure M TSMIP II capital funding for the South Bay Fiberoptic Network (SBFN) project.

The original \$4.4 million allocation assumed the contracts were service contracts. Subsequent to the contracts being executed, both Metro and the SBCCOG realized that the contracts were more appropriately construction contracts that were subject to prevailing wages at an additional cost of approximately \$1.32 million. The balance of the request covers additional sites seeking connection

for which construction work has not yet been commissioned (\$339K); and funds for sites which have expressed interest (622K), for a total of \$2.28 million. Additionally, SBCCOG requests a 10% program oversight adjustment, as permitted by Measure M, bringing the total to \$2.505 million, rounded down to the request. With this funding, SBFN can extend well beyond the 35 sites in the original scope and assure immediate access to funds through the coming year for additional connections.

The contractors are working rapidly, as broadband is so important, especially during this Pandemic crisis. They should be done by the end of June with the hope to be operational by July. It is important for the SBFN contractors to have immediate access to the additional funding once the contractors reach the current funding limit of \$4.39 million. The COVID 19 emergency has highlighted the need to provide high-bandwidth connectivity to accommodate the urgent need to support the new work-at-home paradigm. SBCCOG expects the emergency social distancing mandates will change the way in which South Bay municipal staff works once the restrictions are lifted.

We support the urgent nature of the SBCOG’s request to avoid any contractor demobilization / remobilization claims, the additional \$2.5 million requested by the SBCCOG in Measure M South Bay TSMIP II funds needs to be approved without delay.

SUBJECT: SOUTH BAY COG FIBER OPTIC RING URGENCY MOTION

RECOMMENDATION

APPROVE Motion by Directors Butts and Hahn that the Board:

Approve an immediate additional \$2.5 million from the South Bay Measure M TSMIP II account for the SBCCOG South Bay Fiberoptic Network project and amended into Funding Agreement #MM 5502.05 forthwith.

Prevailing wage adjustments (Ring, WO2)	\$	543,150.00	
Prevailing wage adjustments (buildings, WO2)	\$	329,264.66	
Prevailing wage adjustments (buildings identified, not in WO2)	\$	359,726.47	
Add on to Work Order 2 (total cost)	\$	85,000.00	\$ 1,317,141.13
New buildings identified (6)	\$	339,000.00	
Buildings not yet identified (estimated 11)	\$	621,500.00	
		Sub-total:	\$ 2,277,641.13
Program Admin & Overhead (on add'l ask)		10.00%	\$ 227,764.11
		Add'l Measure M Request:	\$ 2,505,405.24