

**REPORT TO THE
CITY COUNCIL**
City of Salinas, California

DATE: December 15, 2015

FROM: Gary Petersen, Public Works Director

THROUGH: Robert C. Russell, City Engineer

BY: James Serrano, Transportation Planner

SUBJECT: **SALINAS COMMERCIAL BROADBAND INFRASTRUCTURE**

RECOMMENDATION:

It is recommended that the City Council adopt a Resolution authorizing a Request for Proposals to develop a commercially focused broadband infrastructure and a plan for expanding the City's network.

DISCUSSION:

Businesses that seek a competitive edge rely on telecommunications technology. The availability of broadband capacity is part of the equation when organizations choose where they want to do business. The City is interested in providing this capacity to provide an economic incentive that will attract hi-technology businesses to Salinas and to support this area's agriculture technology movement highlighted by Forbes this past summer.

City staff from various departments participated in meetings organized by the Central Coast Broadband Consortium, a group of local governments, economic development, education, health and community organizations that seek to improve broadband availability and access in the tri-county area.

The City worked with Tellus Ventures earlier this year to provide an assessment of the City's broadband infrastructure and to determine a direction for developing its broadband infrastructure. The report (attached) identifies the opportunities for the City for the development of its broadband infrastructure, its ties to Salinas' economic goals, and the recommendation for seeking proposals from experts to develop the broadband infrastructure.

Among the findings of the study were:

- Broadband providers offer broadband services to residential customers on generally the same terms and at the same service levels as elsewhere in California.
- Although commercial Broadband service is available in certain areas, Broadband infrastructure in commercial and industrial areas of Salinas is substandard.

- Salinas is served by several fiber optic routes that provide connections to major internet exchanges in the San Francisco Bay Area and southern California, and in some cases are capable of providing local service directly to locations within the City.
- The City owns approximately 16,000 feet of conduit that is available to support construction of additional fiber optic networks and with its future projects, plans to build 108,000 feet of additional conduit in the next few years.

These and other findings of the study indicate an opportunity to build and expand the broadband network. The City can better prepare commercial and industrial areas within its boundaries to attract business or support existing businesses having the need for broadband service.

Staff is therefore requesting Council to authorize a Request for Proposals from potential service providers who are familiar with developing broadband systems and infrastructure. We will be asking experts to provide the strategic plan and build the necessary infrastructure. The City is open to consideration of the associated business model for the broadband network from the range of full City ownership and operation to full private sector ownership.

ISSUE:

Shall the City Council adopt a Resolution authorizing a Request for Proposals for the development of the City’s fiber network?

FISCAL IMPACT:

There is no financial outlay to be considered at this time. The RFP seeks the enlistment of professionals who can put together a package for the development of the broadband network, including financing and business models.

TIME CONSIDERATIONS:

The improving economy is a good environment for the City to invest in infrastructure that will attract businesses that need broadband capacity and support local businesses seeking the same.

ALTERNATIVES/IMPLICATIONS:

Council may choose not to pursue the development of a commercially focused broadband network in the City.

CITY COUNCIL GOALS:

Development of the City’s Broadband network meets objectives of City Council Goals of Excellent Infrastructure and Economic Prosperity.

CONCLUSIONS:

At its meeting on December 15, 2015, Council is requested to approve a Resolution authorizing an RFP for the development of a commercially-focused broadband network.

Distribution:
City Council
City Manager
City Attorney
Department Directors

Back Up Pages:
Resolution
Request for Proposal
Salinas Preliminary Broadband Plan (Aug 2015)

RESOLUTION NO. _____ (N.S.C.)

A RESOLUTION AUTHORIZING A REQUEST FOR PROPOSALS FOR DEVELOPMENT OF A COMMERCIALY-FOCUSED BROADBAND INFRASTRUCTURE

WHEREAS, the City of Salinas desires to build telecommunications infrastructure, particularly a broadband system, that will entice businesses to the City and to support the Ag-Tech industry in Salinas; and

WHEREAS, a City Preliminary Broadband Plan, hereinafter referred to as the “Plan” was completed earlier this year that assessed the City’s broadband need and also provided recommendations to proactively develop the City’s Broadband infrastructure; and

WHEREAS, the Plan finds that broadband infrastructure in Salinas is generally average in comparison to California as a whole; however, the underlying broadband infrastructure in commercial and industrial areas of Salinas is substandard; and

WHEREAS, the Plan finds that Salinas is served by several fiber optic routes that provide connection to major internet exchanges in the San Francisco Bay area and southern California, indicating opportunities to access broadband service; and

WHEREAS, the City owns approximately 16,000 feet of conduit and is proposing to build another 108,000 feet of additional conduit in the next few years as part of public works projects thereby laying the ground for an expanded broadband infrastructure; and

WHEREAS, the City’s economic development goals include attracting new businesses and supporting the growth of existing businesses in the downtown area, the Alisal Marketplace and developing the Agricultural Technology Corridor in the southeast area of Salinas; and

WHEREAS, the City’s existing conduit, the plans for building additional broadband facilities coincide geographically with the City’s development goals and with privately owned fiber networks that connect to major Internet hubs and serve locations within the City; and

WHEREAS, the Plan finds that the greatest benefit can be obtained by proactively developing independent broadband infrastructure to build a business oriented network;

NOW, THEREFORE, BE IT RESOLVED BY THE SALINAS CITY COUNCIL that with the improving economy, it is the opportune time to invest in broadband infrastructure to attract businesses in Salinas and support existing businesses and therefore authorize the attached Request for Proposals to develop the City’s broadband infrastructure.

PASSED AND ADOPTED this 15th day of December, 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Joe Gunter, Mayor

ATTEST:

Patricia M. Barajas, City Clerk