



CITY COUNCIL STAFF REPORT

TO: City Council

DATE: February 24, 2025

DEPARTMENT: Economic Development Department

PREPARED BY: Sarah McCormick, Economic Development Manager

AGENDA TITLE: Receive Report and Consider Adoption of City Council Resolution Approving Professional Services Agreement with Palni, Inc. for On-Call, As-Needed, Technical Assistance, and Engineering and Design Services Related to Municipal Broadband Utility Project, and Authorizing City Manager to Execute Contract (Amount Not to Exceed \$55,000)

Adopt Resolution Approving Professional Services Agreement with Palni, Inc. for On-Call, As-Needed, Technical Assistance, and Engineering and Design Services Related to Municipal Broadband Utility Project

BACKGROUND

The City contracted with Palni, Inc. to complete the Low-Level Design for the Municipal Broadband Utility Project, which included Outside Plant (OSP) design and computer-aided design (CAD) construction drawings.

DISCUSSION AND ANALYSIS

Palni, Inc. completed the network design for the Municipal Broadband Utility Project, and is an integral part of the team working to deliver this project. Staff recommendation is for the City to retain Palni, Inc. on an on-call, as-needed basis to provide technical assistance and complete updates or findings encountered during the construction process (Att. 3 – Scope of Work).

FISCAL IMPACT/FUNDING SOURCE

The City of Fort Bragg received \$10.3 million of Federal Funding Account Program grant funds, and Congressman Huffman approved \$1 million of Community Project Funding to construct this project. Council has directed staff to utilize debt financing and unidentified grant program awards to finance the remaining \$3.3 million needed for this capital improvement project estimated at \$14.7 million.

NOTE: The City circulated a Request for Proposals to secure Construction Management Services, and released Construction Bid Documents to secure Construction Services

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for the Municipal Broadband Utility Project. Recommendations for these two contracts will be presented to City Council at the next regularly scheduled meeting.

STRATEGIC PLAN/COUNCIL PRIORITIES/GENERAL PLAN CONSISTENCY

GOAL 1: Invigorate Economic Opportunity and Community Vibrancy

1D. Develop and maintain affordable and reliable high-speed fiber-optics infrastructure to support and attract diverse businesses, online education, and remote employment that will connect Fort Bragg to the world.

- Construct, manage, and maintain a municipal broadband utility that provides citywide access to underground networks with industry-leading speeds to provide secondary communication during emergencies and support businesses.

ENVIRONMENTAL ANALYSIS

Award of this contract does not constitute a "project" under the California Environmental Quality Act (CEQA) Guidelines section 15378 as it does not involve any commitment to any specific project that may result in a physical change in the environment and work under the contract will consist of support services only, and no support services during construction of the individual project(s) will be initiated under this contract until any appropriate environmental review under CEQA if required, has been completed for the individual project(s).

ATTACHMENTS:

1. Resolution XXXX-2025
2. Agreement
3. Scope of Work

NOTIFICATION:

"Notify Me" subscriber lists: Economic Development Planning; Fort Bragg Downtown Businesses; and Blue Economy