



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

FROM: City Manager

SUBJECT: RIGHT-OF-WAY USE AGREEMENT WITH THE GATEWAY CITIES COUNCIL OF GOVERNMENTS (GCCOG) FOR THE INSTALLATION, MAINTENANCE, AND OPERATION OF THE GATEWAY CITIES REGIONAL FIBER OPTIC NETWORK WITHIN THE CITY'S BOUNDARIES

MEETING DATE: October 14, 2025

RECOMMENDATION:

Staff recommends that the City Council:

1. Approve the Right-of-Way (ROW) Use Agreement between the City and the Gateway Cities Council of Governments for the installation, maintenance, and operation of the Gateway Cities Regional Fiber Optic Network on the City's rights-of-way; and
2. Authorize the City Manager or designee to administer the Agreement, including approving finalized plans and any other actions in connection with the Agreement.

BACKGROUND:

The Gateway Cities Council of Governments has pursued a \$46.1 million grant from the California Public Utilities Commission (CPUC) and entered into a Joint Build Agreement with the California Department of Technology (CDT) to design and construct the Gateway Cities Regional Fiber Optic Network (Network) for a total of \$103 million, for the purpose of furthering digital equity and expanding connectivity, competition, affordability, and access in the Gateway region.

Private companies have traditionally been responsible for deploying the infrastructure required to provide Internet access to communities; however, they have not consistently invested in the infrastructure to deliver high-speed broadband via a fiber network. In an effort to satisfy this unserved need, local governments have actively analyzed the benefit of investing in fiber network infrastructures to facilitate broadband service.

One of the benefits of investing in a broadband infrastructure is closing the digital divide and enhanced economic development by supplying high-speed Internet access to residents and

businesses. Additionally, businesses that require extensive bandwidths for conducting business are able to capitalize on the community's infrastructure investment.

As a part of its membership in the GCCOG, the City has engaged in the development of the Network, which is being designed to deliver high-speed broadband to the city halls of participating cities and create an opportunity for greater broadband connectivity for residents and businesses in those cities.

DISCUSSION:

The Network is being designed to establish 885,444 feet of new fiber optic backbone cable throughout the Gateway region and interconnect with sections of the Statewide Middle Mile Backbone Network (MMBN). Additionally, the Network is being designed to deliver quality scalable broadband to 4,254 unserved locations as determined by CPUC standards.

The current design includes 489,046 feet of underground fiber and 184,402 feet of aerial fiber, upsizing of existing fiber plant. It will also utilize existing partner fiber network. The underground routes for the fiber will be placed within existing rights-of-way while all aerial routes will be attached to pre-existing poles. The fiber routes will ensure redundancy and future capacity with construction of new and existing conduit within previously disturbed rights-of-way within a 288 strand of fiber cable.

The attached Right-of-Way Use Agreement between the City and the GCCOG will allow the City to utilize the Network by granting the GCCOG access to and encroachment of the City's rights-of-way in perpetuity for the purpose of installing, operating, and maintaining the Network. Exhibit A to the Agreement shows the current network design within the boundary of the City, and Exhibit B shows the current entire Network design.

The Agreement will grant the City the right to use two (2) strands of dark fiber for municipal purposes (City Strands). The CGCOG will maintain the City Strands for the useful life of the asset. However, the City will be responsible for any required electronics, connections, improvements and equipment required to utilize the City Strands. The City will not have the right to transfer or assign the use of the City Strands.

The Network design as depicted in Exhibits A and B of the Agreement may change due to factors unforeseen before and even during construction, which is common for a project of this magnitude. The GCCOG will work with City staff throughout the construction of the Network within the City's boundaries and will provide the City as-built maps within sixty (60) days of completion of construction and final inspections.

Additionally, the GCCOG will join DigAlert and be responsible for any damage to property caused by GCCOS's installation, maintenance, or operation of the GCRFON. The City may request removal or relocation of the GCRFON in the future for a public purpose, and the GCCOG will remove or relocate the GCRFON at the City's cost.

Furthermore, the City has created an addendum (Exhibit C) to supplement the existing agreement, in accordance with its terms.

CEQA Analysis

The GCCOG as the lead agency for the project has determined that the project is categorically exempt from CEQA pursuant to Public Resources Code § 21080.51 and CEQA Guidelines Sections 15301, 15302, 15303, and 15304 because the project consists of linear broadband deployment in a right-of-way by a public entity and meets the requirements of subsection (a) of Public Resources Code § 20180.51. Construction of the project will occur within existing trenches and/or previously disturbed areas and require minor trenching and backfilling. Installation will take place within city rights-of-way which are currently occupied with existing utilities, including fiber network lines with no expected expansion of physical footprint. The Network consists of underground and aerial fiber infrastructure and any small structures will be buried underground. Any above-ground fibers will be placed on existing utility poles.

Prepared by: Natalie Hernandez, Senior Management Analyst
Respectfully submitted: Ernie Hernandez, City Manager
Approved as to form: Noel Tapia, City Attorney

Enclosures: 1) ROW Use Agreement with Exhibits A (City Route Design) and B (GCRFON Design)
2) Resolution
3) Exhibit C