



Board Agenda Item 58

DATE: June 24, 2025

TO: Board of Supervisors

SUBMITTED BY: Edward Hill, Chief Operating Officer
Mike Kerr, Director of Information Technology/Chief Information Officer

SUBJECT: Retroactive Amendment to Agreement with Tone Consulting Group LLC

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute a retroactive First Amendment to Agreement No. A-24-550 with Tone Consulting Group LLC for broadband consulting and grant management services, to modify the Scope of Services to simplify the work products' hours tables, effective February 1, 2025, with no change to the term of July 1, 2024, through June 30, 2027, or compensation maximum of \$722,000; and**
- 2. Approve and authorize the County Administrative Officer, or their designee, to modify the Scope of Services to Agreement No. A-24-550 to accommodate changes approved by the California Public Utilities Commission under the Local Agency Technical Assistance grant, subject to approval as to legal form by County Counsel.**

There is no additional Net County Cost associated with the recommended actions. Approval of the first recommended action will modify the Scope of Services to Agreement No. A-24-550 (Agreement) with Tone Consulting Group LLC (TCG) for the County's Local Agency Technical Assistance (LATA) grant to break down the LATA work product costs by entity instead of by staff for more efficient contract management. Approval of the second recommended action will authorize the County Administrative Officer (CAO), or their designee, to make future modifications to the Scope of Services, as related to non-monetary California Public Utilities Commission (CPUC) regulation changes and in accordance with the County's LATA grant application. This item is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the first recommended action, the County would not be able to modify its LATA grant application to reflect changes in staff hours for specific work products identified in the LATA application in order to request reimbursement from CPUC. If your Board does not approve the second recommended action, the CAO would not have the authority to modify changes to the Scope of Services to the Agreement, which is necessary to ensure the Scope of Services within the Agreement are modified timely to align with the LATA grant agreement, as needed.

RETROACTIVE AGREEMENT:

The recommended Amendment is retroactive to February 1, 2025 to account for changes to staff who are designated to work on specific LATA work products and allow the County to request reimbursement for staff costs under the LATA grant.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions as there are no changes to the Agreement's maximum compensation of \$722,000 and costs associated with the Agreement will be reimbursed through the LATA grant. Sufficient appropriations and estimated revenues are included in the Interest and Miscellaneous Expenditures Org 2540 FY 2024-25 Adopted Budget and will be included in future Recommended Budget requests for the duration of the Agreement term.

DISCUSSION:

The LATA grant, established by the CPUC in accordance with Senate Bill 156, provides \$50 million in technical assistance funding for the purposes of planning work to facilitate high-speed broadband infrastructure projects. On December 15, 2022, the Internal Services Department (ISD), on behalf of the County, submitted a LATA grant application to the CPUC. The LATA grant application required applicants to list specific staff members, which have to be identified in the County's requests for reimbursement. On July 7, 2023, ISD was notified of the CPUC's approval of the County's application for award in the amount up to \$999,643. On August 8, 2023, the Board approved the Department's LATA grant application to the CPUC and the County's acceptance of the grant funding.

On October 22, 2024, the Board approved the Agreement with TCG for broadband consulting and grant management services. Due to changes in staff designated to work on specific work products identified in the County's LATA application, the Department is requesting to amend the Scope of Services from assigning staff to specific work products and LATA hours to instead modify work product hours by entity, specifically the County and TCG. This will provide flexibility for the County and TCG to reassign LATA hours and work products to staff based on the work entailed for each work product, removing the need to amend the Agreement when there are TCG and County staffing changes.

The Broadband landscape and available funding continue to change at a rapid pace. The most recent change was the withdraw of federal funding for the Digital Equity Capacity Grant. The current agreement with TCG included provisions to facilitate the application for this grant as well as others. With the withdraw of funding for this grant, the County's LATA grant scope of work will need to be modified, without modifications to the funding amount, to allow for the pursuit of other grant funds should they become available during the term of the agreement. This will also require the amendment of the TCG agreement to comply with LATA grant modifications approved by the CPUC.

Approval of the recommended actions will allow for the modification of the Scope of Services to simplify the work product hours table for the County's LATA grant and authorize the CAO, or their designee, to approve those modifications on behalf of the County, subject to review by County Counsel, without changing the Agreement's term of July 1, 2024 through June 30, 2027 or compensation maximum of \$722,000.

REFERENCE MATERIAL:

BAI #32, October 22, 2024
BAI #35, August 8, 2023

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment I to Agreement No. A-24-550 with TCG

CAO ANALYST:

Amy Ryals