



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
ACQUISITION AND GRANTS OFFICE

May 1, 2015

Mr. Patrick Mallon
Executive Director
Los Angeles regional Interoperable Communications System Authority
2525 Corporate Pl.
Monterey Park, CA 91754-7672

Re: Broadband Technology Opportunities Program (BTOP)
Los Angeles Regional Interoperable Communications System (LA-RICS), Grant Award
Number: NT10BIX5570158

Dear Mr. Mallon:

On April 3, 2015, the National Oceanic and Atmospheric Administration (NOAA) Grants Office, acting on a recommendation from the National Telecommunications and Information Administration (NTIA), suspended the Los Angeles Regional Interoperable Communications System Authority's (LA-RICS) Broadband Technology Opportunities Program (BTOP) award. I am writing to inform you that the NOAA Grants Office, again acting on a recommendation from NTIA, is lifting that award suspension effective immediately. NTIA and NOAA will continue to diligently monitor your award to ensure compliance with the revised project plan and a new Corrective Action Plan (CAP). We intend to continue working with you to resolve any outstanding concerns and move your project towards completion and award closeout.

RATIONALE FOR SUSPENSION LIFT: In the April 3, 2015 letter suspending the LA-RICS award, NTIA and the NOAA Grants Office put forward a number of requirements that LA-RICS would have to satisfy before the suspension could be lifted. The deadlines for compliance were short, in recognition of the limited time remaining in the award period. On April 13, 2015, LA-RICS submitted a timely CAP response, as required by NTIA. On April 15, 2015, NTIA, in consultation with FirstNet, provided follow-up questions and concerns to LA-RICS. On April 20, LA-RICS provided a First Addendum to its CAP response which responded to these follow-up questions and concerns. Subsequently, on April 21, 2015, LA-RICS submitted a Second Addendum CAP response. On April 29, 2015, LA-RICS submitted a Third Addendum to the CAP response, which included a request for a waiver of the statutory matching requirement that the Federal share of any BTOP project not exceed 80 percent. On May 1, 2015, Assistant Secretary Strickling granted this waiver.

NTIA and the NOAA Grant's Office believe that the amended proposal submitted by LA-RICS, along with the additional information submitted in response to the agency's request, put forward

an acceptable deployment plan that can be completed within the remaining award period. As such, NTIA and the NOAA Grants Office have determined that it is appropriate to lift the suspension and allow project work to continue.

Pursuant to the CAP:

- LA-RICS was required to submit a revised deployment plan consistent with the goals of the program that could be completed under the existing terms and conditions of its BTOP award and in compliance with actions taken by the Los Angeles County Board of Supervisors and the Los Angeles City Council. The revised plan submitted by LA-RICS includes 84 total sites, including 82 fixed and portable Long Term Evolution (LTE) base stations and two network microwave facilities. The revised plan includes a combination of new monopoles deployed at existing public safety locations; existing tower infrastructure at the same locations; and the deployment of Cell-On-Wheels (COWs) at state-owned facilities. NTIA and the NOAA Grants Office have reviewed the revised project plan and have determined that it can be completed by the current award end-date of September 30, 2015. Further, NTIA and the NOAA Grants Office have determined that the revised project plan will deliver substantial benefits to the Los Angeles public safety community. As planned, LA-RICS has estimated that 100% of the eligible public safety agencies in the planned service area will use the network, which will sufficiently host 13,500 users and 5,400 devices by December 2015 and 18,000 users and 7,000 devices by December 2017.
- LA-RICS was also required to obtain City and County approval for its revised deployment plan. LA-RICS received approval from the L.A. County Board of Supervisors on April 14, 2015. The approval is, however, subject to LA-RICS conducting outreach at six of the proposed sites. LA-RICS also received approval from the L.A. City Council on April 17, 2015.
- LA-RICS was further required to provide a list of sites that are not impacted by the County Board's and the City Council's actions. LA-RICS's revised project plan includes 74 sites that can move forward under current L.A. City Council City and L.A. County Board of Supervisors approvals and 8 additional sites that can move forward after the completion of additional consultation and the successful negotiation of site access agreements.
- Finally, LA-RICS was required to provide a determination of any new sites needed to deliver the benefits of its originally proposed BTOP program and any further environmental and historic preservation approvals that might be required. LA-RICS's revised project plan has satisfied these requirements. The impact on the Environmental Assessment and Finding of No Significant Impact (FONSI) is currently under review by the NTIA Program Office.

AGENCY REVIEW STATUS AND REQUEST FOR PAYMENT: The LA-RICS Automated Standard Application Payment (ASAP) account will remain on reimbursement-only status to allow NTIA and the NOAA Grants Office to continue to review requests for payment under the award. Costs incurred while your award was suspended are allowable only if they were expressly authorized in the notice of suspension or subsequently, or if the conditions specified at 15 C.F.R. § 24.43(c) apply.

To request reimbursement for allowable expenses incurred but not yet paid, please submit an Award Action Request (ASAP Drawdown Request), along with a comprehensive list of all outstanding allowable costs, including copies of associated invoices. The list should be accompanied by a short description of each cost relative to each invoice. The NOAA Grants Office and NTIA will then initiate a review to determine the allowability of each expense. After the NOAA Grants Office and NTIA perform their reviews, the NOAA Grants Office will send LA-RICS a confirmation message listing the costs approved for payment, and LA-RICS may initiate a drawdown request from the ASAP system.

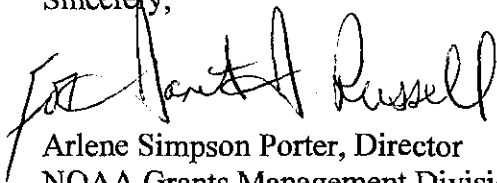
REQUIRED CORRECTIVE ACTION: While the suspension of the LA-RICS BTOP award will be lifted to enable project construction to be completed, NTIA and the NOAA Grants Office are imposing an additional CAP to ensure timely construction and enable continuing robust grant oversight. If LA-RICS does not sufficiently comply with these requirements, as determined by NTIA and the NOAA Grants Office, this may result in additional enforcement action, including termination of the award:

- LA-RICS must provide a revised budget for NTIA's review and approval by May 31, 2015.
- LA-RICS must submit a three-year operating budget with revenue projections by May 31, 2015.
- LA-RICS must immediately require Motorola Solutions to assign personnel with cellular deployment experience to assist in the operations of the LA-RICS project.
- LA-RICS must provide additional environmental information and documentation, including filing a supplemental Environmental Assessment if necessary, for all sites not covered under LA-RICS's Finding of No Significant Impact before it can expend Federal funds with respect to those sites, other than funds for management and administration costs, or start any construction activities on those sites.
- LA-RICS must provide NTIA weekly updates on identifying opportunities to increase its non-federal matching share through cost savings and the reassessment of the value of its current in-kind match contribution.
- LA-RICS must provide bi-weekly updates on its outreach efforts to both communities and its future user base of public safety agencies.

- LA-RICS must provide a budget and plan for decommissioning previously built sites that are not part of the revised project plan. This plan must be provided by May 31, 2015.

Going forward, NTIA and the NOAA Grants Office will work with LA-RICS to support its progress towards project completion. Please do not hesitate to contact your Federal Program Officer, Christopher Holt, at (202) 482-4884 or cholt@ntia.doc.gov to answer any questions that you may have and to assist you in completing these actions.

Sincerely,

A handwritten signature in black ink, appearing to read "Arlene Simpson Porter". The signature is written in a cursive style with a large initial "A".

Arlene Simpson Porter, Director
NOAA Grants Management Division

cc: Alan Conway, NOAA
William Ball, NOAA
Douglas Kinkoph, NTIA
Aimee Meacham, NTIA
Scott Woods, NTIA
Christopher Holt, NTIA