



Legislation Details (With Text)

File #: 17-1756 **Version:** 1 **Name:** 11/9/17 - SPARK Agreement
Type: Resolution **Status:** Passed
File created: 11/9/2017 **In control:** City Council
On agenda: 11/9/2017 **Final action:** 11/9/2017
Enactment date: 11/9/2017 **Enactment #:** R-17-419

Title: Resolution to Approve a Fiber and Conduit Use Agreement with Ann Arbor SPARK

Sponsors:

Indexes:

Code sections:

Attachments: 1. SPARK Fiber Conduit Use Agr.pdf

Date	Ver.	Action By	Action	Result
11/9/2017	1	City Council	Approved	Pass

Resolution to Approve a Fiber and Conduit Use Agreement with Ann Arbor SPARK
Ann Arbor SPARK (SPARK) requested a lateral be extended to their facility from the new city Fiber Optic Network (FON). This resolution seeks approval of a Fiber and Conduit Use Agreement for this non-governmental entity which is similar to the governmental Fiber and Conduit Use Agreements previously approved for the DDA, AAATA, and the AADL.

Resolution R-16-489, approved by City Council on December 19, 2016, recognized that contracts for use of the City FON and by third parties, including funding by those third parties of lateral build outs for connection to their locations, would be brought back to City Council for approval. On September 5, 2017, City Council approved third party agreements with the DDA, AAATA, and the AADL (Resolution R-17-337).

SPARK requested a build out to their location and committed to cover the cost. For logistical and efficiency reasons, the build out was completed before a contract with SPARK for the funding could be brought to City Council for approval. To memorialize and implement SPARK’s commitments to cover those capital costs, and SPARK’s commitments and obligations as a third party user of the City FON, staff requests approval of the attached Fiber and Conduit Use Agreement. SPARK agrees to pay for the \$29,800.00 cost for the capital build to SPARK. The Agreement calculates and provides for both a one-time buy-in fee and annual usage fees, as well as all related obligations. However, because SPARK will not use the facilities immediately, those payment and other obligations related to usage are not activated at this time. They will be triggered if SPARK starts using the City FON directly. If SPARK becomes a user of the City FON through an arrangement with a service provider, the City has reserved the right to enter into a separate user agreement with the service provider to cover both payment and other user obligations.

Staff recommends approval of the Fiber and Conduit Use Agreement with SPARK.

Reviewed by: Tom Shewchuk, IT Director

Reviewed by: Tom Crawford, Chief Financial Officer

Approved by: Howard S. Lazarus, City Administrator

Whereas, Strands are available in the new City Fiber Optic Network (FON) that may be used by third-parties;

Whereas, Ann Arbor SPARK (SPARK) requested an extension of the City FON to their facilities; and

Whereas, The proposed Fiber and Conduit Use Agreement with SPARK provides for SPARK to pay the City the capital build cost of \$29,800.00 for the extension;

RESOLVED, That City Council approve the Fiber and Conduit Use Agreement with SPARK;

RESOLVED, That the Mayor and City Clerk be authorized and are directed to execute said Agreement after approval as to form by the City Attorney and approval as to substance by the City Administrator;

RESOLVED, That all proceeds from the Agreement be recorded where the A2 I-NET's operations are recorded in the Information Technology Fund; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this Resolution.