



## Legislation Text

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File #: 20-1163, Version: 1

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### Resolution to Approve a Conduit Use Agreement and Reimbursement Agreement for Duct Construction with MCIMETRO ACCESS TRANSMISSION SERVICES CORP **(8 Votes Required)**

The City's conduit infrastructure that currently houses the City's fiber optic cable has additional capacity to allow third party entities to access. MCIMETRO ACCESS TRANSMISSION SERVICES CORP has requested access to 50,875 feet of city conduit for placement of their fiber optic cable. The resolution seeks approval of a Conduit Use Agreement and of a Reimbursement Agreement for Duct Construction.

As part of the agreement, MCIMETRO ACCESS TRANSMISSION SERVICES CORP. will perform installation of their fiber optic cable in the City's conduit and associated construction at their cost, install a pull string in each conduit segment for the exclusive use by the city, and repair any damaged conduit segments or construct an alternate route that will include a shadow conduit for exclusive use by the city.

The City will be compensated annually at \$1.70 per foot for conduit segments located in the Downtown Development Authority (DDA) district and \$1.41 per foot for conduit segments located outside the DDA district. Total annual compensation to the City based on the proposed route and distance of 50,875 feet is \$76,837.75, which the City may adjust annually based on the Consumer Price Index.

MCIMETRO ACCESS TRANSMISSION SERVICES CORP fiber cable will be physically separate from city fiber cables in the same conduit and separate handholes will be installed so maintenance and service can be performed without having to access each other handholes. The City will continue to perform all maintenance on city conduit.

The agreement includes general terms and conditions that govern the relationship between the City and MCIMETRO ACCESS TRANSMISSION SERVICES CORP. The agreement defines how compensation is calculated and payment to the City for MCIMETRO ACCESS TRANSMISSION SERVICES CORP use of city conduit. The term of the agreement is through June 30, 2035, with a first renewal term through June 30, 2050, and a second renewal term through June 30, 2065.

Staff recommends that Council approve the attached agreement for MCIMETRO ACCESS TRANSMISSION SERVICES CORP.

Staff requests that City Council authorize the City Administrator to approve additional conduit segments and locations to this agreement, including applicable fee adjustments, to streamline the approval process.

Reviewed by: Tom Shewchuk, IT Director

Reviewed by: Matthew Horning, Interim CFO & Financial Services Area Administrator

Approved by: Tom Crawford, Interim City Administrator

**..Body**

Whereas, City conduit capacity is available and may be used by third-parties;

Whereas, MCIMETRO ACCESS TRANSMISSION SERVICES CORP requested to use city conduit to install their fiber optic cable;

Whereas, MCIMETRO ACCESS TRANSMISSION SERVICES CORP intends to install fiber optic cables in designated city conduit segments, and repair or install shadow conduit in damaged or impassable conduit segments;

Whereas, The proposed Conduit Use Agreement establishes the terms and conditions, including compensation for MCIMETRO ACCESS TRANSMISSION SERVICES CORP to use city conduit through June 30, 2035;

Whereas, The proposed Reimbursement Agreement For Duct Construction establishes the terms and conditions for MCIMETRO ACCESS TRANSMISSION SERVICES CORP to construct city shadow conduit and the related work statement and cost structure;

Whereas, The total annual compensation to the City under the Conduit Use Agreement, based on the proposed route and distance of 50,875 feet, is \$76,837.75, which the City may escalate annually based on the Consumer Price Index and renegotiate at the end of the first term; and

Whereas, The Agreement allows for the addition of conduit segments and locations, and authorization to the City Administrator to approve additional use of conduit segments and locations for this Agreement, including adjustments of applicable fees, and will streamline the approval process;

RESOLVED, That City Council approve both the Conduit Use Agreement and the Reimbursement Agreement for Duct Construction with MCIMETRO ACCESS TRANSMISSION SERVICES CORP;

RESOLVED, That the Mayor and City Clerk be authorized and are directed to execute said Agreements 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 will be appropriated to the revenue and expenditure budget of the Information Technology Fund in the fiscal year received;

RESOLVED, That such proceeds may be used, regardless of fiscal year, to pay costs associated with the Reimbursement Agreement for Duct Construction and to also offset cost associated with city's conduit and fiber network;

RESOLVED, To the extent available in the applicable year's budget, funds may be used to otherwise fund the Reimbursement Agreement for Duct Construction's work statements;

RESOLVED, That the amounts authorized herein may be used without regard to fiscal year;

RESOLVED, That the City Administrator be authorized to grant any approvals pursuant to these Agreements including but not limited to additional conduit segments and locations, work statements, renewals and related compensation negotiations, etc., and to delegate authority for the same; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this Resolution including execution of any amendments to the Agreements.