

# City of San Antonio

## Zayo License Agreement

City Council A Session Item # 17

June 7, 2018

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Presented by:

Craig Hopkins, Chief Technology Officer

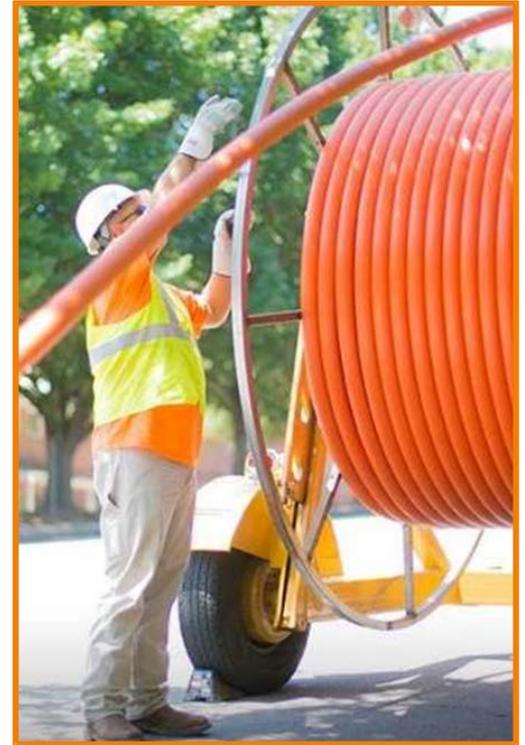


# Background

Historically, telecommunications companies obtain access to the City's Rights-Of-Way (ROW) to install equipment in four ways:

1. Chapter 66 of the Utilities Code for cable/video providers (Example: Grande Communications, Spectrum);
2. Chapter 283 of the Local Government Code for telecommunication providers primarily for telephone services (Example: AT&T);
3. Chapter 284 of the Local Government Code for small-cell antenna installations (New Technology); or
4. License agreements;

Public Utilities Commission of Texas certifies telecom providers



Some companies are using their certificates to gain access to the City's ROW to provide services beyond the scope of Chapters 66, 283 or 284.

The City receives no compensation for that ROW access.

# Proposal

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Staff negotiated a non-exclusive license agreement with Zayo Group, LLC to provide compensation of 3% of gross revenues for those services not addressed by Chapters 66, 283 or 284.

The City is required to provide non-discriminatory access to the right-of-way.

The ROW license agreement is based on the Google Fiber ROW license agreement approved by City Council in Ordinance 2017-11-09-0883.

# Fiscal Impact

Term - twenty (20) years with two successive five (5) year renewal periods.

Other Regulatory Compensation Rates	
Cable	5% of gross revenues + 1% for PEG
Telecom	Rate per line per month \$1.30 residential \$4.31 commercial
Small-Cell	\$250/node per year \$20/ node per year for collocation on city pole \$28 /node per month for wireline backhaul.
Historical license agreements	3% common
Grey Forest Utility (Natural Gas)	3% revenue

# Staff Recommendation

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Staff recommends approval of this ordinance authorizing a license agreement with Zayo Group, LLC for access to the City's ROW.

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