THIS IS A PROPOSED DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED ORDINANCE OR RESOLUTION ADOPTED BY THE CITY COUNCIL.

AN ORDINANCE

AUTHORIZING A FIBER LICENSE AGREEMENT WITH TIME WARNER CABLE TEXAS LLC, REFERRED TO AS CHARTER, FOR THE USE OF SPECIFIC CITY PROPERTY FOR INSTALLING AND MAINTAINING FIBER OPTIC CABLE. CONDUIT, AND RELATED FACILITIES TO SUPPORT CABLE TELEVISION AND OTHER RELATED COMMUNICATION SERVICES. CHARTER WOULD FUND THE CONSTRUCTION **PROJECT AND INSTALL A FIBER CONDUIT FOR THE CITY'S** PRIVATE USE IN EXCHANGE FOR AN **IN-KIND CONTRIBUTION OF EQUIVALENT VALUE OF \$213,286.00.**

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WHEREAS, Bexar County and the San Antonio River Authority, in coordination with the City of San Antonio, are in the midst of the design phase of the San Pedro Creek Improvements Project, which will transform the creek to improve its function in flood control, revitalize natural habitat and water quality, and will be a catalyst for economic development; and

WHEREAS, Time Warner Cable Texas LLC, hereinafter referred to as Charter, and the City both maintain separate underground fiber optic cable routes that run west to east along Nueva, Dolorosa, Commerce, and Houston Streets that will be directly impacted by the San Pedro Creek Improvements Project; and

WHEREAS, to minimize disruption to the downtown area, Charter and the City have agreed to share a common underground trench on City property; and

WHEREAS, Charter will fund the construction project and install a fiber conduit for the City's private use in exchange for an in-kind contribution of equivalent value of \$213,286.00. A 10-year fiber agreement to use 5,965 square foot of City property for a conduit bore between Commerce Street and Dolorosa Street, east of Calder Alley; and another between Nueva street and Dolorosa street; has been negotiated by City Staff with Charter; and

WHEREAS, as provided for in Chapter 37, Section 21(b)(3) of the City Municipal Code, the inkind contribution provided by Charter are approximately equivalent to the proposed total licensing fee for the term of the license agreement and are allowable as in-kind compensation to the City; and

WHEREAS, the proposed Fiber License Agreement with Charter sets out the terms for the use of specific city property for installing and maintaining fiber optic cable, conduit, and related facilities to support cable television and other related communications services; the proposed Fiber License Agreement is attached to this Ordinance as **Exhibit A**; and

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WHEREAS, through its Center City Development, the City has conducted a valuation of the required 5,965 square foot area needed for the ten-year license agreement with Charter. Based on \$45.00 per square foot market value with a 6.5% return with an escalation factor of 4% over a ten-year licensing period and with a \$3,500 processing fee, the cost of the license is \$212,978.00; and **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The Fiber License Agreement between the City and Time Warner Cable Texas, LLC, referred to as Charter, that sets out the terms for the use of specific city property for installing and maintaining fiber optic cable, conduit, and related facilities to support cable television and other related communications services is hereby approved. The Fiber License Agreement approved by this Ordinance is attached as **Exhibit A**.

SECTION 2. The Information Technology Services Department will record an in-kind transaction for the services authorized by this ordinance.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 4. This Ordinance shall become effective immediately upon its passage by eight (8) affirmative votes of the City Council. If less than eight (8) affirmative votes are received, then this Ordinance shall be effective ten (10) days after passage.

PASSED AND APPROVED this 6^{th} day of <u>April</u>, 2017.

M A Y O R Ivy R. Taylor

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney