



# City of San Antonio

## Legislation Details (With Text)

**File #:** 20-2275

**Type:** Miscellaneous Item

**In control:** City Council A Session

**On agenda:** 4/16/2020

**Title:** Ordinance approving an agreement with HEB Grocery Company LP to install and maintain fiber optic cables near the intersection of East Poplar and North Main and the intersection of Ogden and East Poplar. [Ben Gorzell, Chief Financial Officer; Craig Hopkins, Chief Information Officer, Information Technology Services]

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Draft Ordinance, 2. Agreement, 3. Ordinance 2020-04-16-0271

Date	Ver.	Action By	Action	Result
4/16/2020	1	City Council A Session	adopted	Pass

**DEPARTMENT:** ITSD

**DEPARTMENT HEAD:** Craig Hopkins

**COUNCIL DISTRICTS IMPACTED:** District 1

**SUBJECT:**

Non-Exclusive 10-year license agreement granting HEB the use and occupancy of the right-of-way at two downtown sites identified as E. Poplar and Ogden for the purpose of installing and maintaining fiber optic cable facilities to allow HEB to extend its private fiber optic network among its downtown campus locations.

**SUMMARY:**

HEB is proposing to extend its private fiber optic network across the right-of-way to its properties in the downtown area as part of its campus expansion projects. The fiber optic cable facilities will provide telecommunications service for HEB among its downtown campus locations.

HEB is requesting that the City of San Antonio authorize a non-exclusive license to use and occupy the space above or below the City's Right-of Way, specifically for the following sites:

1. "E. Poplar" (near the intersection of E. Poplar St. and N. Main Ave.)
2. "Ogden" (near the intersection of Ogden St. and E. Poplar St.)

The total revenue value is \$2,001.16 over a 10-year period.

**BACKGROUND INFORMATION:**

In June of 2019, HEB approached the City of San Antonio in regards to utilizing existing City right-of-way to construct telecommunication underground utility pathways or aerial crossings to place fiber optic cable facilities at two (2) locations in the downtown area in support of connecting its respective facilities. The City of San Antonio's ITSD and the City Attorney's Office worked jointly with HEB to develop a fiber optic licensing agreement that would support this expansion. The fees associated with the License Agreement are based on current Bexar County Appraisal District valuations of the adjacent properties, as required by City Code Sec. 37-21, and were developed by a certified real estate appraiser.

**ISSUE:**

HEB has acquired properties that are across from its existing campuses. In order to provide telecommunications connectivity between to those properties, HEB will need to install fiber optic cable facilities within the City's right-of-way at two (2) locations.

**ALTERNATIVES:**

If the agreement is not approved, HEB will not be able to connect its neighboring campus properties with fiber optic cable facilities and would need to identify other means or methods to provide this service

**FISCAL IMPACT:**

This Ordinance approves a non-exclusive license agreement granting HEB the right to use and occupy the right-of-way at two downtown sites identified as E. Poplar and Ogden for the purpose of installing and maintaining fiber optic cable facilities. Revenue of \$2,001.16 over the 10-year term of the Agreement would be received by the Information Technology Services Department fund, in addition to the \$3,500 application fee.

**RECOMMENDATION:**

Staff recommends approval of the 10-year non-exclusive license agreement.