

Legislation Text

File #: 17-564, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Adopt the Resolution Authorizing the Execution of a Right-of-Way Use License Agreement with Level 3 Communications.

DEPARTMENT: Transportation, Engineering and Development

SUBMITTED BY: Trevor Dick, AICP LEED AP, Development Manager & Michael DiSanto, City Attorney

BOARD/COMMISSION REVIEW:

Not Required.

BACKGROUND:

Level 3 Communications, a private company, approached the City with a request to install fiber-optics within the City's right-of-way along North Naper Boulevard. The request is related to needs of a private company located in Lisle, Molex, to connect to dedicated fiber-optic telecommunication lines for several reasons including improved speed, global reach, and security.

The following is a summary of the key aspects of the project.

- Plans to bury approximately 1,800 linear feet of fiber in the ROW along North Naper Boulevard.
- The route begins at the northwest corner of N. Naper Boulevard and Ridgeland Avenue, traveling south along N. Naper Boulevard to Ogden Avenue where it will travel east within the State's right-of-way into the Village of Lisle, ending at 2200 Molex Drive.
- All fiber will be installed in new underground utility conduits.
- Level 3 will pay right-of-way licensing fees of approximately \$2,700.00 to the City per year (\$13,500.00 over five years).

DISCUSSION:

The Naperville Municipal Code (9-1C) provides for right-of-way use licenses in these situations where a company desires to locate non-cable or telephone telecommunication facilities in the city right-of-way. Per the Code, a right-of-way use license agreement is required that includes a(n):

1. Five-year term with renewal and termination options;
2. Annual license fee of \$1.50 per each linear foot of newly installed facilities or \$0.50 per linear foot for facilities which can be in existing excess or surplus facilities;
3. Obligation to cooperate with the City and move facilities if necessary; and
4. Liability indemnification as well as insurance and construction/performance surety

requirements.

Level 3 Communications has applied to the City for a right-of-way use license. A review of their plans indicates that the company meets the qualifications and is an appropriate candidate for a right-of-way use license.

Notably, at its May 2, 2017 City Council meeting, Council approved a consultant contract with Magellan Advisors aimed, in part, at developing a Citywide Telecommunications Strategic Business Plan. In the future, the Business Plan will help the City to review and process these types of applications, and to proactively address the changes in the telecommunications industry.

FISCAL IMPACT:

Annual license fee to the City from the applicant shall total approximately \$2,700.00 (\$13,500.00 over five years).