



Legislation Details (With Text)

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Title: Approve a Master License Agreement for placement of telecommunication equipment on City assets as defined by Federal Communications Commission (FCC) Order 18-33.

Sponsors: Information Services Department

Indexes:

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Attachments: 1. Master License Agreement.pdf, 2. Late Submission Packet for item 1-J.pdf

Date	Ver.	Action By	Action	Result
4/9/2020	1	City Council	approved	

REPORT TO THE CITY COUNCIL

April 9, 2020

FROM: BRYON HORN, Chief Information Officer
Information Services Department

SUBJECT

Approve a Master License Agreement for placement of telecommunication equipment on City assets as defined by Federal Communications Commission (FCC) Order 18-33.

RECOMMENDATION

Staff recommends that City Council approve, and allow the City Manager or designee to enter into, the attached Master License Agreement (MLA) with telecommunications carriers. The MLA allows third party carriers to install telecommunication equipment on City assets.

EXECUTIVE SUMMARY

Staff recommends approval of an MLA, and authority for the City Manager or designee to enter into such agreements. The MLA will allow third party (carrier) telecommunications equipment to be placed on City assets, subject to the following general terms:

- Initial term of 10 years, which is an industry standard.
- Assigns an annual fee of \$270 per attachment, pursuant to FCC (18-33).
- Provides a fallback annual fee of \$1,250 per pole in the event that the FCC order is vacated or

invalidated.

- Allows for an annual conductor or conduit lease fee of \$400 per location for accessing the City's existing spare capacity.
- Requires carriers to pay all costs of attaching equipment.
- Offers protections for all parties to ensure that the City has the means to protect public assets.

Since March 19, 2020, the MLA has been updated to insert needed provisions for structural analysis, inspections and mitigation of City risk from use of poles for small cell deployment. The added sections of 4.A.i. and 4.A.ii. cover these provisions.

Staff has worked with carriers in crafting the terms of the MLA.

BACKGROUND

On March 19, 2019, the MLA was on the consent calendar to be considered for Council approval, however, it was removed by staff in order to make necessary adjustments for the City's protection. On March 18, 2019, staff received a communication from the manufacturer of the City's infrastructure that traffic and lighting structures are not designed for small cell deployments. To address concerns raised by this communication, the MLA was updated to include a structural analysis of each pole desired for small cell implementation, implement an inspection process as well as proper indemnifications further mitigating the City's risk. Those changes are reflected in this MLA with the addition of sections 4.A.i. and 4.A.ii.

On September 27, 2018, the FCC issued FCC Order 18-33 placing strict limits on state and local government's ability to manage and control government assets relating to small cell infrastructure. FCC Order 18-33 also limits the compensation cities can receive for such implementations to \$270 per pole per year. Since then, the City has been diligently working with carriers on a Master License Agreement that would meet the needs of the City as well as comply with the requirements of the FCC Order 18-33. The proposed MLA would be used by any carrier interested in installing telecommunication equipment on City assets.

ENVIRONMENTAL FINDINGS

By the definition provided in the California Environmental Quality Act (CEQA) Guidelines Section 15378, this item is not a project for the purposes of CEQA.

LOCAL PREFERENCE

Local preference was not considered because this item does not include a bid or award of a construction or service contract.

FISCAL IMPACT

No funds shall be expended for this agreement. The revenues from this agreement (currently estimated at \$100,000 annually) have been assumed in the General Fund five-year projections.

Attachment:

Master License Agreement