



City Council Report

Date: January 26, 2026

To: City Council

Through: Marc Heirshberg, Assistant City Manager

From: Lance Webb, City Engineer
Marc Ahlstrom, Assistant City Engineer

Subject: Recommending an Amendment to the Communication License Agreement with Crown Castle Fiber, LLC

Council Districts: all

Purpose and Recommendation

The purpose of this report is to request City Council approval of the First Amendment to the Communications License Agreement with Crown Castle Fiber, LLC (Crown). The amendment modifies the fee structure in the Agreement to allow the option of basing Crown's annual ROW use fee on a percentage of gross revenue collected from facilities located in the City's rights-of-way.

Background & Discussion

The City issued Crown a Communications License Agreement on February 10, 2020, authorizing the company to construct, install, operate, and maintain its fiber optic network within the City's public rights-of-way. The Agreement had an initial five-year term with the option for an automatic five-year renewal and is scheduled to expire on February 10, 2030 (Resolution 11454).

Crown provides telecommunications services through underground conduit and fiber optic facilities located in the rights-of-way, including equipment mounted on City-owned streetlights.

The City and Crown now seek to amend the Agreement to update its terms and to align the fee structure with Crown's operational activities in Mesa. The First Amendment replaces Section 2.13 to allow the annual license fee to be calculated either as a per-lineal-foot fee for fiber optic cable located in the City's rights-of-way or as a two percent gross revenue fee based on revenue Crown collects from its operations under the Agreement.

Alternatives

City Council may choose to deny the First Amendment. If denied, the Agreement will remain unchanged, and Crown will continue operating under the existing terms and fee structure.

Fiscal Impact

There is no cost to the City for the execution of this license beyond staff time.