



City Council Report

Date: September 12, 2022
To: City Council
Through: Scott Butler, Deputy City Manager
From: Ian Linssen, Assistant to the City Manager
Lori Greco, Right of Way Manager
Subject: Conduit Occupancy Agreement for Gigapower, LLC

Council Districts: all

Purpose and Recommendation

The purpose of this report is to request Council approval for a resolution authorizing the City of Mesa to enter into a Conduit Occupancy Agreement for Gigapower, LLC (Gigapower).

Staff recommends that Council authorize the City Manager to execute this Conduit Occupancy Agreement on behalf of the City.

Background & Discussion

Gigapower is in the process of obtaining a separate Fiber License Agreement whereby the City gives permission to install and operate a communications network in the streets, rights-of-way, and public easements within the City. Gigapower now seeks an agreement to use a portion of the City's existing conduit duct bank system to further expand their network.

The Conduit Occupancy Agreement will be approved when the associated individual "Conduit Request" addendum is signed by both parties. The term for each individual addendum will be defined on the Conduit Request Form.

The City may terminate any approved "Conduit Request" no sooner than ten years following the commencement date, provided the City can show that termination is necessary to satisfy a public need or to accommodate public infrastructure. The City Engineer may lengthen the ten-year period described above to up to twenty (20) years for that specific Conduit Request.

In the event Gigapower must relocate any of its fiber optic cables or equipment to accommodate a City project, Gigapower shall bear 100% of its individual relocation costs.

Alternatives

City Council could choose not to authorize this Conduit Occupancy Agreement. City staff does not recommend this because not approving this license will prevent Gigapower the opportunity to rent City conduit.

Fiscal Impact

The annual cost shall be negotiated upon request, plus a two percent (2%) annual escalation fee.

Coordinated With

City Attorney's Office
Innovation and Technology
City Manager's Office
Engineering Department