



Legislation Text

File #: ID 15-0542, **Version:** 1

...Title

Ordinance to Approve the Franchise Agreement between the City of Greensboro and Level 3 Communications, LLC:
First Approval

Department: Engineering and Inspections

Council District: All

Public Hearing: No

Advertising Date/By: N/A

Contact 1 and Phone: Tom Carruthers, City Attorney, 373-2320

Contact 2 and Phone: Jennifer Schneier, Assistant City Attorney, 373-2320

PURPOSE:

To give the first of two required approvals of the franchise agreement between the City of Greensboro and Level 3 Communications, LLC. The second and final approval is scheduled for the September 1, 2015 City Council meeting.

BACKGROUND:

North Carolina General Statute §160A-76 requires that all franchise grants, renewals, extensions, or amendments be made by ordinance and also requires that all such ordinances be passed at two regular meetings of the City Council.

The City of Greensboro and Level 3 Communications, LLC have entered into a franchise agreement, following a Settlement and Release Agreement between the two parties. This is the first regular meeting of the City Council at which the franchise agreement may be approved by ordinance. The second approval is scheduled for the September 1, 2015 meeting.

In accordance with the Settlement and Release Agreement, the franchise agreement begins July 1, 2015 for a term of ten (10) years with an option for Level 3 to renew for an additional five (5) year period by notifying the City in writing.

The proceeds of the franchise agreement have been incorporated into the current fiscal year budget.

BUDGET IMPACT:

The City will receive an annual franchise fee based on the amount of linear footage of Level 3's installations in the City's rights-of-way. Currently, the franchise fee is \$29,535.00 per year for 98,450 linear feet. The total linear footage and the franchise fee will be calculated and adjusted yearly through the regular process. This revenue will be placed in account number 101-6010-01.7217.

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council give the first of two required approvals of the franchise agreement between Level 3 and the City of Greensboro.