



Legislation Text

File #: ID 16-0935, **Version:** 1

Ordinance to Approve the Franchise Agreement Between the City of Greensboro and Mobilitie, LLC: SECOND APPROVAL

Department: Information Technology
Council District: All

Public Hearing: No
Advertising Date/By: N/A

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PURPOSE:

To give the second approval of the franchise agreement between the City of Greensboro and Mobilitie, LLC.

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 Mobilitie, LLC have entered into a franchise agreement which received its first approval by ordinance at the December 20th, 2016 City Council meeting. This is the second of two regular meetings of the City Council at which the franchise agreement may be approved. This franchise will allow Mobilitie to insert poles and fiber optic into City right of way in order to serve residents with better cellular reception. Each are reviewed internally by City departments. These are the first steps toward 5G technology and are called Small Cell.

The franchise agreement begins on January 17th, 2017 for a term of ten (10) years with an option for Mobilitie, LLC to renew for an additional five (5) year period by notifying the City in writing.

Planning, Transportation, Water Resources, Engineering & Inspections, and Information Technology has approved of this fiber optic and pole placement.

BUDGET IMPACT:

The City may receive an annual franchise fee based on the amount of linear footage of fiber optic Mobilitie, LLC installation in the City's rights-of-way. Currently, there is no plan for fiber optics. If any fiber optic is installed, then fees for FY 17 will be deposited into account number 101-0701-02.7217. Beginning in FY 18 these fees will not be permissible due to North Carolina General Statute §160A-296. Fees will be collected through the NC Telecommunications tax and distributed to the City on a quarterly basis.

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council give the second and final approval of the franchise agreement between Mobilitie, LLC and the City of Greensboro.