

1. Consider the proposed License Agreement (“Agreement”) with Harbor Link and set it for public hearing on Saturday, June 18, 2022; and
2. After the public hearing, authorize the City Manager to execute the Agreement and to take other actions that are necessary to implement the Agreement.

BACKGROUND AND DISCUSSION:

Harbor Link proposes to install conduits in the City, as part of a network that will run from Baltimore, through the District of Columbia, and terminate in Ashburn, Virginia. The company intends to lease dark fiber, and possibly conduit space, to commercial customers. Initially, Harbor Link is seeking a five-year license agreement but if the license is approved, it will apply for a franchise agreement, with the same terms as the license.

Harbor Link proposes to install a bank containing no more than twelve (12) conduits for its use. The proposed deployment will cross the City on a route approximately eight (8) miles long, as depicted on the attached diagrams.

Under the terms of the proposed license agreement, Harbor Link will be authorized to construct the conduit, install dark fiber, and lease the fiber and conduits to its customers. Harbor Link is required to notify the City if it enters into a lease of fiber or conduit located in the City.

As consideration for the license, the City and Harbor Link have negotiated the following. Harbor Link is working with the City’s municipal fiber network contractor and during construction of Harbor Link’s facilities Harbor Link will install two conduits for the City’s municipal fiber network, along a route where the two networks coincide, at Harbor Link’s expense. This installation will also include all handholes, manholes and any other necessary ancillary equipment and improvements, also at no cost to the City. In addition, at Harbor Link’s expense and separate from the municipal conduit construction, Harbor Link has agreed to install a bank of four (4) conduits and related facilities at certain points along its route, which will also be owned by the City. Finally, Harbor Link has agreed that the City will have the right to use, at no charge, four strands of dark fiber that Harbor Link will install, running from the City to a data center in Ashburn, Virginia.

Similar to other license agreements, Harbor Link is required to comply with the City’s undergrounding requirements. In addition, should Harbor Link damage any public right-of-way or any other property in the City, the company is required to repair any such damage at its cost; if it fails to do so promptly, the City has the right to repair and/or restore the property and then charge Harbor Link.

Harbor Link must post a \$250,000 surety bond and comply with the City’s current public rights-of-way resurfacing standards. Harbor Link must also maintain commercial general liability insurance and Virginia statutory workers compensation coverage (including Virginia benefits and employers’ liability); these insurance requirements will continue to apply to any individual conduit to which Harbor Link retains title.

Finally, Harbor Link is required to notify the City prior to any sale or lease of its assets.

FISCAL IMPACT: City receiving, at no charge, construction of conduit, a portion of conduit for its municipal network, and conveyance of dark fiber to a data center in Ashburn, Virginia.

ATTACHMENTS:

1. Proposed License Agreement with Exhibits

2. Proposed Deployment Route
3. Presentation

STAFF:

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