

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: Crown Castle has applied for this license agreement to install approximately 12 miles of fiber and related equipment in the City's public rights of ways to connect its wireless small cell facilities and for providing broadband services for its commercial customers throughout the City as depicted on the diagrams in attached exhibits. On September 2021, the City granted Crown Castle a Telecommunications Facility Franchise authorizing it to install and to operate its wireless communications equipment in the City. Crown Castle's wireless equipment is attached to public utility poles. Crown Castle acts as an intermediary for wireless carriers (in particular, T-Mobile) and transports other carriers signals over its system. Initially, Crown Castle 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 proposed license. As compensation for use of the City's rights of way, Crown Castle will be required to pay the City the statutory public right of way use fee. This fee is set by the Virginia Department of Transportation annually as of July 1 and currently it is \$1.01 per access line. Crown Castle is required to pay into the state fund this amount per access line for all end users in the City and then VDOT remits the amount collected from telecommunications providers to the localities.

Similar to other license agreements, Crown Castle is required to comply with the City's undergrounding requirements. The installation will be undergrounded using a combination of micro trenching, directional drilling, and conventional trenching construction methods. In addition, should Crown Castle 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 Crown Castle.

Crown Castle must post a \$250,000 surety bond and comply with the City's current public rights-of-way resurfacing standards. Crown Castle must also maintain commercial general liability insurance and Virginia statutory workers compensation coverage (including Virginia benefits and employers' liability).

FISCAL IMPACT: The City will receive the statutory public right of way fee.

ATTACHMENT: Proposed License Agreement with Exhibits

STAFF:

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