



Legislation Text

File #: 19-375, **Version:** 2

Report Prepared by: Jeff Bennyhoff, Director of Information Technology

SUBJECT: Approval of a Fifteen (15) Year Conduit Lease Agreement for the Expansion of Telecommunication Services for the City and CVIN, LLC dba VAST NETWORKS, a Competitive Local Exchange Carrier with the Option to Renew the Contract in 5 Year Increments

REPORT IN BRIEF

Considers entering into a fifteen (15) year conduit lease agreement for the expansion of telecommunication services for the City and CVIN, LLC dba VAST NETWORKS, a Competitive Local Exchange Carrier with the option to renew the contract in 5-year increments.

RECOMMENDATION

City Council - Adopt a motion approving the lease agreement with CVIN, LLC dba VAST NETWORKS; and authorizing the City Manager or the Assistant City Manager to execute the necessary documents.

ALTERNATIVES

1. Approve, as recommended by staff or;
2. Deny or;
3. Refer to staff for reconsideration of specific items or;

AUTHORITY

Merced City Charter, Section 200

CITY COUNCIL PRIORITIES

As Provided for in the 2019-20 Adopted Budget

DISCUSSION

The construction of the Lowes complex in 2003 came with conditions for conduit to be installed for future telecommunication needs for the City on Olive Ave from R to Highway 59. This small isolated stretch of conduit does not connect to any existing conduit infrastructure for the City and has provided little value.

CVIN is a Competitive Local Exchange Carrier that sells internet and telecommunication services and has their own private conduit and fiber optic network between Bakersfield and Stockton. Their fiber optics network provides telecommunication services to businesses within the Merced region.

CVIN approached the City about a conduit lease to utilize this isolated conduit on Olive to expand

their internet services to underserved businesses for high speed internet services. They would like to provide internet services to blueFIRE, one of the five cannabis business permits holders.

The lease will allow CVIN access rights to put their fiber optic infrastructure inside the City's underutilized conduit while at the same time granting the City access rights to CVIN's private conduit between "M" and "R" street. This will connect the isolated conduit to the City fiber optics conduit system that currently has a distribution point on Olive Ave and M street.

This agreement will not prevent the City from utilizing the City conduit that CVIN wishes to enter. There is enough conduit space to safely operate both telecommunication infrastructures within the conduit.

At the termination of agreement CVIN would be required to remove their fiber optics cabling from the City conduit at their cost, or via mutual agreement the City can acquire and obtain ownership of the fiber optic infrastructure at no cost.

IMPACT ON CITY RESOURCES

No appropriation of funds is needed

ATTACHMENTS

1. Lease Agreement