



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: K-1415-131

File ID: K-1415-131

Type: Contract

Status: Consent Item

Version: 1

Reference: Item 42

In Control: City Council

Department: Legal Department

Cost:

File Created: 04/09/2015

File Name: Contract with Chickasaw Telecommunications Services, Inc.

Final Action:

Title: CONTRACT K-1415-131: AN AGREEMENT AND REVOCABLE UTILITY INSTALLATION PERMIT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND CHICKASAW TELECOMMUNICATIONS SERVICES, INC., A/K/A CTSI TO ALLOW INSTALLATION OF CONDUITS AND A FIBER OPTIC CABLE TO PROVIDE TELECOMMUNICATIONS SERVICES ALONG JOHN SAXON BOULEVARD FROM SOUTH OF HIGHWAY 9 TO 2600 JOHN SAXON BOULEVARD FOR A PERIOD OF FIVE YEARS.

Notes: ACTION NEEDED: Motion to approve or reject Contract K-1415-131 and a revocable utility installation permit with CTSI for a period of five years; and, if approved, authorize the execution thereof.

ACTION TAKEN: _____

Agenda Date: 04/14/2015

Agenda Number: 42

Attachments: K-1415-131, K-1415-131 Certificate of Insurance, CNI FIBER OPTICS PROJECT ON JOHN SAXON BLVD

Project Manager: Leah Messner, Assistant City Attorney

Entered by: jayme.rowe@normanok.gov

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File K-1415-131

Body

BACKGROUND: The Public Works Department received an application from the Chickasaw Nation Industries for the installation of fiber optics conduit along John Saxon Boulevard beginning south of State Highway 9 and terminating at 2600 John Saxon Boulevard. Chickasaw Telecommunications Services, Inc. (CTSI) proposed to install the fiber optics conduit on behalf of Chickasaw Nation Industries. The Application set forth the terms and conditions of the permit and provides the location of the installation.

The Public Works Department and other appropriate departments has reviewed and approved the plans. Normally, the Public Works Department accepts, reviews, and approves these applications. However, due to the magnitude of this project, City Staff has asked Council to approve a contract, Contract K-1415-131 between

the City of Norman and CTSI for the installation of the conduit for fiber.

DISCUSSION: The Contract provides that if CTSI were to enter the conduit with fiber, or leases, rents or sells the capacity for any revenue generating purpose, CTSI would be assessed a three percent (3%) fee in lieu of a franchise fee. This fee is applicable if and when CTSI generates revenue with respect to the use of this conduit. The Contract is valid for a five year term.

CTSI has provided agreements they have entered into with other cities across Oklahoma, including Duncan, Ada, and Durant. In addition, the City of Norman has previously entered into a similar agreement with CTSI for fiber conduit to serve the Norman Regional Hospital. That Agreement has expired and CTSI and City Staff are working on a renewal agreement to bring forward to Council.

Under the terms of the Contract, CTSI will indemnify the City from any and all damages or claims as a result of the installation or operation of the fiber and conduit. In addition, the Contract can only be assigned upon written consent of the City. The Contract is revocable at any time with thirty days' notice.

RECOMMENDATION: If Council wishes to allow CTSI to install fiber and conduit from south of State Highway 9 to 2600 John Saxon Boulevard, Staff recommends that Council approve K-1415-131.