

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

98-539

SYNOPSIS -

AGENDA:

DECEMBER 7, 1998

Supplemental Agreement 2 to the existing 28E agreements between the City and the Iowa Communications Network (ICN) and between the City and the Des Moines Independent School District establishes a framework for the cooperative development of fiber optic data, video and telephone communications systems by the City, the Des Moines Independent School District, and the ICN. Supplemental Agreement 2A authorizes the initial cooperative venture (identified as the "East Side Hub" project) to be performed under this framework.

SUBJECT:

SHARED
COMMUNICATION
SYSTEMS AGREEMENTS

These are landmark agreements that build on a history of informal cooperation to establish an innovative method for sharing the costs of installing and maintaining communications systems that will extend throughout the City of Des Moines. The agreements also enable joint planning of projects to maximize cost savings and minimize impact on the City's rights-of-way.

TYPE:

**RESOLUTION
ORDINANCE
RECEIVE/FILE**

SUBMITTED BY:

MICHAEL ARMSTRONG
INFORMATION
TECHNOLOGY DIRECTOR

These agreements represent a very high level of cooperation among three agencies that look to the future to increase the effectiveness of the services they provide to the citizens of Des Moines.

FISCAL IMPACT -

The City may incur some cost for maintenance of the system developed pursuant to Supplemental Agreement 2A. However, the extent of those costs will not be known until repairs to the system are required. Supplemental Agreement 2 establishes the general framework for sharing those costs among participating partners. Supplemental Agreement 2A identifies the cost share percentages for shared costs in the East Side Hub

project.

RECOMMENDATION -

Approval.

BACKGROUND -

In 1986, the City entered into a 28E agreement with the State of Iowa Department of General Services to provide assistance to the City in development of cost-effective telecommunications systems. This agreement has allowed Des Moines to maintain its status as the only city in Iowa authorized to take advantage of services provided by the ICN, including transport of the City's long-distance phone service at very attractive rates. In 1993, the City entered into a 28E agreement with the Des Moines Independent School District for similar purposes.

These agreements began an era of informal cooperation that resulted in the development of a fiber-based network within Des Moines. This cooperation eventually led to Supplemental Agreement #1, which provided the City with access to this fiber network.

More than one year ago, the three agencies entered into negotiations to develop a structure that would address the emerging needs of all three by developing a high-speed communications network. The result of those negotiations is Supplemental Agreement #2.

Supplemental Agreement #2 establishes a framework for assuring the continued cooperation of the parties. It provides an innovative method for allocating fiber-optic strands contained within a "shared sheath", or bundle of fibers. Supplemental Agreement #2 provides:

- That the partners engage in a cooperative planning process that will result in the development of a unified telecommunications system that will serve the needs of all participating agencies.
- That costs associated with constructing the system be shared by the participating parties based on the fiber

allocation described above.

- That costs associated with maintaining the system be allocated using the same method.

Supplemental Agreement #2 provides that specific projects undertaken by the partners be authorized in additional supplemental agreements. Individual partners may elect not to participate in specific projects that would provide no benefit to them. The agreement also provides a structure for identifying specific areas of responsibility for partners participating in subsequent projects.

Each of the agencies participating in this agreement can make substantial contributions to the success of this process:

- The ICN brings a state-of-the-art telecommunications network, deep experience in development and management of large telecommunications networks, and substantial technical and engineering resources.
- The School District brings a number of geographically attractive facilities that can serve as interconnection points and sites for equipment.
- The City brings its rights-of-way and its own emerging fiber-optic network.

This agreement does much more than identify ways to share costs and benefits. The primary accomplishment of those who negotiated this agreement is to formally recognize the tremendous benefit to the citizens of Des Moines that will result from the commitment of agencies at several levels of government to building a telecommunications structure that meets the needs of all the participants. This agreement is certainly unique for Iowa and may very well become a model for other communities in Iowa and other states.

Supplemental Agreement 2A is the first project to be completed under the structure established in Supplemental Agreement #2. This project (known as the "East Side Hub") involves installation of copper and fiber cables, with associated ducts between the Botanical

Center and the Armory Building. It also involves installing fiber-optic cable between the Armory Building and several State of Iowa facilities in the area. An ICN Classroom will be installed in the Botanical Center, bringing high-speed teleconferencing capabilities to that facility.

The cost of constructing this system will be the responsibility of the ICN. Data transmission and interconnection equipment will be housed at both the Botanical Center and the Data Center in the Armory (both City facilities).

The cost of maintaining this system will be shared by the City and ICN, based on the structure set forth in Supplemental Agreement #2.

The East Side Hub project will demonstrate the effectiveness of the model developed in Supplemental Agreement #2. We anticipate that a number of cooperative projects will follow.

Many representatives of the participating agencies were involved in this process. Their efforts have produced a structure that will serve the citizens of Des Moines well now and in the future.