

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: November 4, 2013
	Agenda Item No. 47 Roll Call No. <u>13-1734</u> Communication No. <u>13-534</u> Submitted by: Jeb E. Brewer, P.E., City Engineer

AGENDA HEADING:

Hearing for approval of a fiber optics license agreement with Wellmark, Inc. upon City-owned property located east of College Avenue and Michigan Street in Central Place for \$400.

SYNOPSIS:

Recommend approval of a fiber optics license agreement with Wellmark, Inc., Michael Morlock, Director – Infrastructure, 1331 Grand Avenue, Des Moines, Iowa, 50309, upon City-owned property located east of College Avenue and Michigan Street in Central Place for \$400. This action is required by Iowa law prior to making a final determination on the proposed conveyance by resolution. The City will not be inconvenienced by approval of the proposed license agreement.

FISCAL IMPACT:

Amount: \$400 (Revenue)

Funding Source: Non-project related sale proceeds are used to support general operating budget expenses: Org – EG064090.

ADDITIONAL INFORMATION:

Wellmark, Inc. owns and operates fiber optic equipment and lines within the City of Des Moines right-of-way pursuant to license agreement administered by the City Engineering Department, Traffic and Transportation Division. In order to connect with said equipment, additional fiber optic line installation is required to be established within City-owned real property outside of the right-of-way. Wellmark, Inc. has requested a license agreement to use such City-owned property east of College Avenue and Michigan Street in Central Place for the placement of fiber optic line and related utility equipment.

The City’s Real Estate Division has negotiated a license agreement with Wellmark, Inc. The agreement will include, among other terms, a 20-year license term commencing upon execution by City of the license agreement, with an upfront, one-time lump sum payment of \$400, which amount reflects fair market value of the licensed area and term as currently estimated by the City’s Real Estate Division. This is a 40 foot wide overhead fiber optic line and the license area consists of approximately 0.38 acres. Wellmark, Inc. is required to remove all improvements within the licensed area upon termination of the license.

**PREVIOUS COUNCIL ACTION(S):**

Date: October 21, 2013

Roll Call Number: [13-1629](#)

Action: [On](#) consideration of License Agreement with Wellmark, Inc. for the use of City-owned property located east of College Avenue and Michigan Street in Central Place for construction and maintenance of fiber optic line and related utility equipment, \$400, (11-4-13). Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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