

Council Communication

Office of the City Manager

Date: October 6, 2014

Agenda Item No. 33

Roll Call No. <u>14-1587</u>

Communication No. <u>14-483</u> Submitted by: Pamela

Pamela S. Cooksey, P.E., Interim City

Engineer

AGENDA HEADING:

Hold hearing for consideration of License Agreement with Iowa Network Services, Inc. upon Cityowned property located south of 1063 14th Place, for \$500.

SYNOPSIS:

Recommend approval of a License Agreement with Iowa Network Services, Inc., Will Walling, Vice President of Network Services, 4201 Corporate Drive, West Des Moines, Iowa, 50211, upon Cityowned property located south of 1063 14th Place, for \$500. This action is required by Iowa law prior to making a final determination on the proposed conveyance by resolution.

Iowa Network Services, Inc. is requesting the use of City-owned property south of 1063 14th Place for the placement of fiber optic line and related utility equipment in order to connect a new line to a new customer, Institute of Community Alliance. The City's property adjoins the I-235 freeway right-of-way and it is not considered to be a developable parcel of land due to the existing topography and sewers that are located across the property. Therefore, the proposed License Agreement is not expected to have any current or anticipated future impact on the City's use of the property.

FISCAL IMPACT:

Amount: \$500 (Revenue)

Funding Source: Non-project related proceeds are used to support general operating budget expenses:

Org - EG064090

ADDITIONAL INFORMATION:

The City's Real Estate Division has negotiated a 20 year License Agreement with Iowa Network Services, Inc. for the use of the City's property, commencing upon execution by City of the License Agreement and terminating on October 31, 2033, with an option to renew for one (1) additional 20 year term running thru October 31, 2053. Either party may terminate the License Agreement at any time, with or without cause, upon 120 days written notice. Iowa Network Services, Inc. shall pay an upfront, one-time lump sum payment of \$500 as consideration for the initial 20 year license term, and an additional upfront, one-time lump sum payment of \$1,000 in the event that Iowa Network Services, Inc. exercises its option to renew the License Agreement, which amounts reflect the estimated fair market value of the Licensed Premises and terms as determined by the City's Real Estate Division.



PREVIOUS COUNCIL ACTION(S):

Date: September 22, 2014

Roll Call Number: 14-1469

<u>Action</u>: On consideration of License Agreement with Iowa Network Services, Inc. for use of Cityowned property, south of 1063 14th Place, \$500. (09-22-14) Moved by Coleman to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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