



Roll Call Number

14-1469

Agenda Item Number

25

Date September 22, 2014

SET HEARING FOR CONSIDERATION OF LICENSE AGREEMENT WITH IOWA NETWORK SERVICES, INC. UPON CITY-OWNED PROPERTY LOCATED SOUTH OF 1063 14TH PLACE FOR \$500

WHEREAS, Iowa Network Services, Inc. owns and operates fiber optic equipment and lines within City of Des Moines right-of-way pursuant to license agreement administered by City Engineering Department, Traffic & Transportation Division, in accordance with the ROW Management Code, Chapter 102, Article IX of the Des Moines City Code; and

WHEREAS, in order to connect a new line to a new customer, Institute of Community Alliance, additional fiber optic line installation is required to be established within City-owned real property outside of the right-of-way, and thus Iowa Network Services, Inc. has requested a license agreement to use such City-owned property south of 1063 14th Place, as legally described below, for the placement of fiber optic line and related utility equipment; and

WHEREAS, the City's Real Estate Division has negotiated a License Agreement with Iowa Network Services, Inc. as licensee, which Agreement will include, among other terms, a license term commencing upon execution by City of the License Agreement and terminating on October 31, 2033, with Iowa Network Services, Inc. having the unilateral right at its option to renew this License Agreement for one additional twenty (20) year term running from November 1, 2033 until October 31, 2053, and with both terms subject to termination for default and termination by either party, with or without cause, upon one-hundred twenty (120) days written notice; and

WHEREAS, pursuant to the negotiated Agreement, Iowa Network Services, Inc. shall pay an upfront, one-time lump sum payment of \$500.00 as consideration for the initial twenty (20) year license term plus \$113 for publication and recording costs, and an additional upfront, one-time lump sum payment of \$1,000.00 in the event that Iowa Network Services, Inc. exercises its option to renew the License Agreement, which amounts reflect fair market value of the Licensed Premises and terms as currently estimated by the City's Real Estate Division; and

WHEREAS, the City will not be inconvenienced by approval of the proposed License Agreement with Iowa Network Services, Inc.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that:

- 1. The City Council of the City of Des Moines, Iowa proposes to enter into a License Agreement with Iowa Network Services, Inc. for the use of City-owned real property located south of 1063 14th Place, legally described as follows, for the purpose of construction and maintenance of fiber optic line and related utility equipment, for a twenty-year term, and for consideration in the lump-sum license amount of \$500.00 plus \$113 for publication and recording costs:

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THE NORTH 33.00 FEET OF LOT 115, KEOSAUQUA WAY PLAT NO. 4, AN OFFICIAL PLAT, ALL NOW INCLUDED IN AND FORMING A PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA, AND CONTAINING APPROXIMATELY 3,380 SQUARE FEET.

2. A public hearing will be held on October 6, 2014, at 5:00 p.m. in the City Council Chamber, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa. At that time the City Council will consider the above-described proposal and any other(s) submitted prior to or during the public hearing.
3. The City Clerk is hereby authorized and directed to publish notice of the proposal and hearing in the form hereto attached, all in accordance with Iowa Code Section 362.3.
4. Non-project related land sale proceeds are used to support general operating budget expenses: Org – EG064090.

Moved by Coleman to adopt.

APPROVED AS TO FORM:

[Signature]
 Cori K. Coleman, Assistant City Attorney

row

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GATTO	✓			
GRAY	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MOORE	✓			
TOTAL	7			
MOTION CARRIED	1		APPROVED	

[Signature] Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

[Signature] City Clerk