



City of Harrisonburg, Virginia

Office of the City Manager

409 South Main Street
Post Office Box 20031
Harrisonburg, VA 22802
(540) 432-7701 / FAX (540) 432-7778

G. Chris Brown
City Attorney

TO: Kurt Hodgen, City Manager
FROM: G. Chris Brown, City Attorney
DATE: 07/01/16
RE: Ordinance granting a Franchise to use Streets and other public lands of the City of Harrisonburg for operation of a Fiber Optic network.

Summary: Shentel has requested that the City grant a franchise to use streets and other public lands of the City to lay fiber optic cable. Fiber optic cable to be installed by Shentel will connect various City owned properties through dark fiber.

Background: In October of 2014, council granted a franchise to Shentel so that it could install a fiber optic network in downtown Harrisonburg on Main Street, between Bruce Street and East Market Street. That fiber optic network was installed as part of the City's Main Street Street-Scape project and was successfully completed. Since that time, the City has negotiated an agreement with Shentel by which it will connect various City owned office buildings located throughout the City together through a fiber optic network. This agreement includes very favorable user rates for the City. In order to complete this fiber optic network, Shentel has requested a citywide franchise in order to lay the fiber optic network through the streets and across public owned property. The fiber optic network will also serve private users. If the franchise is granted, Shentel will still have to secure permits from the City's Department of Public Works and the Department of Public Utilities for each section of fiber optic cable installed.

Key Issues: Granting of a non-exclusive franchise agreement throughout the City

Environmental Impact: There may be some minimal environmental impact as Shentel installs the fiber optic network throughout the City. However, this will be managed and regulated by the City's Department of Public Works.

Fiscal Impact: The City will secure favorable rates for the use of the fiber optic network to connect all of its buildings. Shentel will be responsible for all costs associated with installing the fiber optic network and will post a bond to protect the City against any damages resulting from any work associated with the fiber optic network installation.

Prior Actions: The City granted Shentel a limited franchise for the downtown area in October of 2014. City has also negotiated favorable rates for the use of Shentel's fiber optic network.

Alternatives:

- (a) Approve an ordinance granting a franchise
- (b); Approve a modified ordinance granting a franchise, or
- (c) Do not adopt ordinance at this time



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Community Engagement: A public notice was published twice and permits other fiber optic providers to submit a bid for the franchise.

Recommendation: Staff recommends granting the franchise as drafted.

Attachments:

1. Ordinance Granting a Franchise
2. Copy of Public Notice

Review:

The initiating Department Director will place in Legistar, in sequence of transmittal, the names of each department that must initial their review in order for this item to be placed on the City Council agenda. The completion of review only addresses the readiness of the issue for Council consideration. This does not address the recommendation for approval or denial of the issue.

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