



**Request for City Council Committee Action
From the Department of Public Works**

Date: November 22, 2005
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Subject: **Approval of agreement allowing the laying of fiber optic cable**

Recommendation: That proper City officers be authorized to negotiate and execute an agreement with Midway Warehouse Limited Partnership, North Prior, L.L.C., 808 Building Limited Partnership, JLT Hancock Limited Partnership, and Hiawatha Acquisitions, LLC for the right to lay and keep fiber optic and copper cable through the Tri-Tech Building located at 331 2nd Ave S. Funds are to be paid from 6400-880-8870.

Prepared by: Greg Goeke, Facilities Manager, 673-2706
Approved by: _____
Klara A. Fabry, P.E., City Engineer, Director of Public Works
Presenters: Steven Kotke, Deputy Director of Public Works for Internal Services

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

This action will save the City not less than \$4,534.00 per year for the next 10 years.

The City currently maintains electronic communications with its offices in the Towle Building through an indirect cabling system provided by Hennepin County. The telephone switching equipment used by this cable system carries a maintenance cost of \$7,000.00 per year.

The City has switching equipment capable of providing communications with the Towle Building in the Public Service Center. To access the City owned equipment fiber optic cable must be laid from the Public Service Center through the Tri-Tech and into the Towle Building. Although negotiations are still underway, the Tri-Tech owners have indicated that they will allow the City to enter and use its building for laying and maintaining fiber optic cable at a cost of \$2,466.00 per year. This has been reviewed and approved by BIS.

Accordingly, staff recommend: that proper City officers be authorized to negotiate and execute an agreement with Midway Warehouse Limited Partnership, North Prior, L.L.C., 808 Building Limited Partnership, JLT Hancock Limited Partnership, and Hiawatha Acquisitions, LLC for the right to lay and keep fiber optic cable through the Tri-Tech Building located at 331 2nd Ave S. Funds for this effort have been budgeted and are to be paid from 6400-880-8870.

