# CITY OF SALEM



# Legislation Details (With Text)

File #: 20-270 Version: 1

Type: Action Item Status: Passed

In control: City Council

On agenda: 7/27/2020 Final action: 7/27/2020

Title: Inter-Governmental Agreement with Marion County.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods Result Area(s): Good Governance

Sponsors:

Indexes:

Code sections:

Attachments: 1. IT-3172-19\_County Signed.pdf

| Date      | Ver. | Action By    | Action   | Result |
|-----------|------|--------------|----------|--------|
| 7/27/2020 | 1    | City Council | approved | Pass   |

**TO:** Mayor and City Council

**THROUGH:** Steve Powers, City Manager

**FROM:** Krishna Namburi, Director, Info Tech

# **SUBJECT:**

Inter-Governmental Agreement with Marion County.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods Result Area(s): Good Governance

# **ISSUE:**

Shall City Council authorize the City Manager to execute an Intergovernmental Agreement with Marion County to allow Marion County non-exclusive use of the City's optical fiber network for the purpose of connecting Marion County business offices to the Marion County network?

#### **RECOMMENDATION:**

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Authorize the City Manager to execute an Intergovernmental Agreement with Marion County to allow Marion County non-exclusive use of the City's optical fiber network for the purpose of connecting Marion County business offices to the Marion County network.

#### **SUMMARY:**

Marion County does not own a fiber infrastructure within City limits that meets Marion County's needs. The City has available capacity within its optical fiber network Facilities to provide services to Marion County. Allowing use of the extra capacity will create an additional revenue stream, which may be used to maintain the City's current optical fiber network infrastructure and allow for further expansion. Staff requests authority to enter into the attached Intergovernmental Agreement (IGA) with Marion County (Attachment 1) allowing the City to provide to Marion County non-exclusive use of the City's optical fiber network Facilities in accordance with the terms of the Agreement.

### **FACTS AND FINDINGS:**

As set forth in the Agreement, the City will provide Marion County with physical connectivity using one (or more) strands of optical fiber between designated sites. The use of optical fiber network Facilities to transfer data will accommodate the necessary capacity and speed for Marion County to conduct business activities.

The initial term of the agreement is until June 30, 2029, after which the parties may renew the Agreement for two additional 5-year terms. The City will be responsible for operating and maintaining all City owned Facilities that provide the network connections and components between agreed upon "hand-off" locations. Marion County's responsibilities include covering all costs in bringing fiber to the agreed upon hand-off locations, and for constructing, operating and maintaining all Facilities between the hand-off points and the end location within the building. The Agreement includes provisions regarding the authority of the parties; the responsibilities of the parties; requesting establishment of or termination of service; fiber slicing and testing standards; construction, relocation, and removal of Facilities; ownership of Facilities; hazardous substances; resolving service disruptions; compensation and payment terms; termination; and liability and insurance. Marion County's compensation obligations include both monetary compensation as well as allowing the City use of County owned fiber between the Marion County Courthouse and Marion Courthouse Square.

For Fiscal Year 2020-21 (July 1, 2020 - June 30, 2021) the monthly rate for a pair of fiber strands will be \$26.00 per fiber-pair mile plus an operations and maintenance rate of \$6.00 per fiber-pair mile for a total monthly rate of \$32.00 per fiber-pair mile.

The City Manager may execute amendments to the IGA if the following requirements are met: 1) The amendments do not substantially expand the City's obligations; 2) The amendments do not broaden the scope of the agreement to other subjects; 3) The amendments do not increase the City's financial obligations; and, 4) The amendments may extend the term or renew the IGA so long as any other changes to the IGA do not substantially expand the City's obligations.

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# **BACKGROUND:**

Marion County currently utilizes fiber optic cable provided by a third-party private entity at no cost. The no-cost cable utilization has incrementally decreased during the term of the agreement. Marion County desires a more cost-effective alternative. The City has fiber optic network capacity to provide connectivity services to Marion County expanding the capabilities of their network and supporting Salem area operations. The City may use the funds generated from this agreement to maintain and expand the City's current infrastructure.

Chuck Fauser Manager, IT Division

Attachments:

1. IT-3172-19\_County Signed