



**PUBLIC WORKS DEPARTMENT**

CITY HALL

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**CITY COUNCIL STAFF REPORT**

Meeting: April 2, 2019

**Subject**

Conduit Lease Agreement to permit Crown Castle NG West, LLC to utilize a section of conduit owned by the City of Cupertino and located along Stelling Road, for the purposes of expanding their fiber optic network in exchange for \$12,600 of new conduits being installed in the City.

**Recommended Action**

Staff recommends that Council adopt Resolution 19-XXX to authorize the City Manager to execute a Conduit Lease Agreement, in substantial form as that attached, between the City of Cupertino and Crown Castle NG West, LLC.

**Description**

The City of Cupertino owns approximately 700 LF of fiber optic conduit along Stelling Road, between Tomki Court and Orogrande Place, under Highway 85. The City acquired this section of conduit in 2016 when the Public Works Department requested that another public utility company install an additional conduit for the City while constructing its own facilities. The 700 LF of conduit was provided at no cost to the City.

**Discussion**

Crown Castle NG West, LLC, (Crown Castle) approached the City in 2018 with plans to enhance their fiber optic network within the City. A portion of this network is proposed along Stelling Road and extends through the area where the City owns fiber optic conduit. The existing City owned conduit is currently vacant but contains innerduct which can facilitate up to three different fiber optic bundles to run fiber within the conduit.

The City offered to Crown Castle the option of utilizing this portion of conduit to run fiber along this stretch of Stelling Road in-lieu of installing their own conduit. Crown Castle expressed interest in this proposal and worked with the City to establish an

acceptable agreement for the use of a portion of the innerduct (leaving capacity for one or two other fiber providers within innerduct).

The term of the lease is for 15 years, and in return the City will receive approximately 1,300 LF (valued at \$12,600) of additional buried 2" conduit for fiber optics and subsequent improvements along Stevens Creek Blvd, between DeAnza Blvd. and Saich Way (see Attachment D). Similar to the fiber optic conduit being leased in this proposed agreement, it is advantageous for the City to increase its ownership of fiber optic conduit whenever and wherever practicable.

All work performed by Crown Castle will require encroachment permits issued by the Public Works Department.

### **Sustainability Impact**

Leasing existing conduit space saves resources over the installation of new. Impacts to traffic and other inconveniences due to new construction are also lessened.

### **Fiscal Impact**

This Conduit Lease Agreement will result in \$12,600 worth of additional conduit runs within the City.

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Prepared by: Chad Mosley, Acting Assistant Director of Public Works/City Engineer

Reviewed by: Roger Lee, Acting Director Public Works

Approved for Submission by: Timm Borden, Interim City Manager

### **Attachments:**

A – Draft Conduit Lease Agreement – Crown Castle NG West, LLC

B – Draft Resolution 19-XXX

C – Leased Conduit Exhibit

D – Equivalent New Conduit Exhibit