



City of Maricopa

Legislation Text

File #: CON 20-05, **Version:** 1

The Mayor and City Council shall discuss and possibly take action on approving a Communications License with Fatbeam, LLC for an initial five-year term with one additional automatic five-year renewal option, and authorizing the City Manager to execute any necessary documents related thereto. Discussion and Action.

Fatbeam, LLC has applied for a License to work within the City's rights of way and easements to install, operate, and maintain a conduit and fiber optic communications network.

Fatbeam will build approximately 12 miles of conduit and fiber optic cables. The project will be citywide and will serve Maricopa Unified School District in its initial operation.

Fatbeam's transactions with its customers will be subject to transaction privilege taxes. Arizona State Statutes set parameters on license fees that local governments may charge directly to telecommunications companies for the use of City property. Specifically, facilities that provide intrastate telecommunications are exempt from right-of-way use fees. Fatbeam has warranted that its system will be dedicated exclusively to providing services that are thus exempted by state statute. However, if at any time Fatbeam cannot make such a warranty, Fatbeam must pay the City's annual per foot fee of \$2.03 for any portion of its network carrying non-exempt services.

The Communications License does not exempt Fatbeam from permit fees related to the construction, installation, and maintenance of the network.

This item will be presented by City Engineer Joshua Plumb.

Staff recommends the approval of the five-year Communication License with Fatbeam, LLC with one additional automatic five-year renewal option, and authorization of the City Manager to execute any necessary documents related thereto.