

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 100194	Resolution: <input type="radio"/> Yes <input checked="" type="radio"/> No
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TITLE:

Fiber Optic License Agreement

PURPOSE:

To obtain Board approval and ratification of an interim letter of agreement with Pentagon Force Protection Agency (PFPA) and obtain Board authorization for the General Manager to negotiate and execute a new Fiber Optic License Agreement.

DESCRIPTION:

Metro proposes to license 432 fibers, 3,642 feet to PFPA under a new Fiber Optic License Agreement. This new License Agreement will provide for monthly payments, in advance and will be for a period of five years with three five-year option periods. The optional periods will be subject to a one-time adjustment to the yearly rate by the Consumer Price Index (CPI) or 3% per year, whichever is greater.

In order to bridge the gap between when the new Fiber Optic License Agreement is signed and actual use of the fibers, an interim Letter of Agreement on the above terms was entered into between Metro and the Pentagon Force Protection Agency subject to ratification by the Board.

FUNDING IMPACT:

This Fiber Optic License Agreement will increase the annual revenue for these fibers from \$265,566 to \$314,668 for a net positive increase in revenue of \$49,102 per year for a total of \$245,510 for the initial term of five years.

RECOMMENDATION:

Ratification of the interim Letter of Agreement and authorization for the General Manager to negotiate and execute a new Fiber Optic License Agreement with PFPA to use Metro fiber optic fibers and cables within Metro's right-of-way. The exercise of the options will be returned to the Board for approval.