



Village of River Forest
Village Administrator's Office

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MEMORANDUM

Date: May 19, 2017

To: Catherine Adduci, Village President
Village Board of Trustees

From: Eric J. Palm, Village Administrator

Subj: Right-of-Way License Agreement – WideOpenWest, LLC

Issue/Analysis: WideOpenWest, LLC (WOW) has asked for the Village of River Forest to approve permits to allow it to install fiber optics underground in the Village's right-of-way. WOW is acting as a subcontractor for Verizon Wireless and installing additional small cell technology to strengthen their wireless data networks.

Most utilities already have franchise agreements with the Village that provide some sort of consideration to the Village in exchange of use of our right-of-way. When WOW first approached the Village, we looked at creating a similar setup to what we have for T-Mobile Wireless for use of our elevated water storage tank. In that case, the Village leases space on the tower for a yearly fee with a lease agreement in exchange for placing their wireless antennas on our tower. WOW was not interested in such an agreement. After further discussion and after speaking to other municipalities, WOW agreed to provide dark fiber to the Village in exchange for a license agreement.

Currently, the Village does not have any dark fiber that connects our three public facilities (village hall, public works and the pump station). We rely on VPN relays and antennas for data communications. With a fiber connection, we would no longer need those systems for primary communication. Further, we would not need to install a new antenna system from the pump station to village hall saving the Village approximately \$30,000. You will see in the agreement this network referred to as the "municipal area network" or MAN. Please note, dark fiber is essentially a "data pipe" allowing our buildings to communicate with one another. It is not an internet service provider, or ISP. We will see need ISPs such as Comcast, Call One, or AT&T. What we hope is that with the dark fiber we may be able to further consolidate our internet and phone services in the future, in addition to having a faster more reliable network across our facilities.

As part of the negotiations, we also requested WOW to build a dark fiber network for School District 90. Currently, D90 is in the middle of a 10 year fiber lease. Once their agreement expires, they can choose to not renew that contract and rely on their own private network referred to as the school area network" or SAN.

Other considerations to note

- The networks will be designed and installed by WOW in the coming months. Those final plans will be added to the agreement as exhibits showing the MAN and SAN.
- Because the MAN/SAN will be public projects, the contractor will be required to pay prevailing wage on our portions of the projects. After speaking with another municipality who had a similar agreement with a similar scope, the incremental cost was approximately \$1,000.

Value to Village

The MAN/SAN will be designed after the agreement is approved so we do not know the exact distances of the network. But measuring the distances between the buildings “as the crow flies” there would be approximately 8,264 feet of fiber for the MAN and 5,363 feet on the SAN. An average price per foot for installation is approximately \$25. At 13,627 feet of fiber that equates to a “value” of \$340,675 for the Village and the School District over the ten years of the agreement, or \$34,067.50 per year which is on par with this value of our water tower lease.

Recommendation: Consider and approve the attached Resolution with authorizes the adoption and execution of a Right-of-Way License and Fiber Optic Cable Agreement between the Village of River Forest and WideOpenWest Illinois, LLC.

Attachment

Resolution w/Agreement