



CITY COUNCIL AGENDA STATEMENT



September 18, 2018

File ID: 18-0379

TITLE

- A. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE FORM OF A MASTER ENCROACHMENT AGREEMENT FOR THE INSTALLATION OF NETWORK FACILITIES WITHIN THE PUBLIC RIGHT-OF-WAY
- B. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AMENDING CHAPTER 11 (ENGINEERING FEES) OF THE CITY'S MASTER FEE SCHEDULE TO ESTABLISH NETWORK FACILITY ENCROACHMENT PERMIT FEES

RECOMMENDED ACTION

Council adopt the resolutions.

SUMMARY

The proposed Master Encroachment Agreement for the construction of network facilities within the Public Right-of-Way would establish an Agreement between the City and various communications companies for the construction of network facilities within the City to provide communications services. An amendment of the City's Master Fee Schedule to establish Network Facility Encroachment Permit fees is also recommended.

ENVIRONMENTAL REVIEW

The Development Services Director has reviewed the proposed activity, approval of an Agreement, for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060 (c)(3) of the State CEQA Guidelines the activity is not subject to CEQA.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

Over the past year, a number of communications companies have approached the City of Chula Vista with the desire to deploy and/or expand their network facilities within the Public Right-of-Way in order to provide better service to their customers in the area.

These companies require the installation of new cables, conduits, access manholes, pedestals, boxes, and other equipment in the Public Right-of-Way in order to provide superior quality service which now has higher data and video demands from its customers. As technology advances, the community's expectation for faster and more reliable speeds also increases. Communications companies must deploy new or upgrade existing infrastructure to meet these new demands. Some of these new network demands include:

- Expansion of the Smartphone market
- Growing use of wireless sensors
- Future deployment of connected and autonomous vehicles
- Advanced traffic management systems
- Impending deployment of 5G technologies and more

Recognizing that encroachments into the Public Right-of-Way by these companies exist, and/or may be needed in the future, staff wishes to adopt a process and template Agreement that will ensure that the City operates fairly and consistently with the various communications companies.

Permit Fees

As proposed, Resolution B amends Chapter 11 (Engineering Fees) of the City's Master Fee Schedule to establish Network Facility Encroachment Permit fees. A full cost recovery fee with an initial deposit of \$3,000 is recommended. The deposit amount of \$3,000 is based on the estimated reasonable cost of providing the associated services, as calculated using the most recent Development Services Fee Study hourly rates (see Attachment 2 for Cost of Service Analysis).

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the 500-foot rule found in California Code of Regulations Title 2, section 18702.2(a)(11), is not applicable to this decision for purposes of determining a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Councilmember, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

LINK TO STRATEGIC GOALS

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong and Secure Neighborhoods and a Connected Community. This resolution supports Economic Vitality and Connected Community goals in the Strategic Plan since this Agreement will facilitate the processing of permits associated with the construction of network facilities leading to construction that will give us a much more connected City.

In addition, construction of new and/or upgraded network facilities throughout the City will assist in the delivery of the Smart City Action Plan's Goal 1, Objective 1.2 which is to Ensure Universal Internet and Technology Access for All Communities.

CURRENT-YEAR FISCAL IMPACT

Approval of the resolution represents no impact to the General Fund as all staff costs associated with any application and/or permit will be reimbursed from deposit accounts provided by applicants.

ONGOING FISCAL IMPACT

All staff costs associated with any application and/or permit will be reimbursed from deposit accounts provided by applicants.

ATTACHMENT

1. City of Chula Vista Master Encroachment Agreement Template
2. Cost of Service Analysis

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