



Legislation Text

File #: 0883-2018, Version: 1

BACKGROUND:

This legislation authorizes the Director of the Department of Technology to renew a service and revenue contract agreement with 10/20 Digital LLC DBA Connected Nation Exchange (CNX) to market and to develop a rate structure and cost recovery billing model for the city's fiber optic infrastructure and to market the lease of the city's available fiber assets. Ord. No. 0298-2015, passed on March 9, 2015, authorized the original service and revenue contract with 10/20 Digital LLC DBA Connected Nation Exchange (CNX) to develop a rate structure and cost recovery billing model and to market the lease of available city fiber assets on behalf of the city. This contract allowed CNX to develop a rate structure and cost recovery billing model and to market the lease of available city fiber assets on behalf of the city. A negotiated percentage of revenues generated by CNX's marketing and sales efforts is retained by CNX with the balance being received by the city. The initial term of the original contract was for two (2) years, with three (3) annual renewal options for a total contract term of up to five years. The first renewal option was executed for the coverage term period of March 10, 2017 through March 9, 2018. This ordinance authorizes the second renewal option, for the coverage term from March 10, 2018 through March 9, 2019. The city has a continued desire to support fiber optic broadband services to businesses and educational and governmental agencies.

Additionally, this legislation authorizes the Director of the Department of Technology to modify the service and revenue contract agreement with 10/20 Digital LLC DBA Connected Nation Exchange (CNX) to include agreed upon updated language that was not included in the original contract agreement by replacing the word " fiber " with " broadband ". All other terms and conditions remain the same as the original contract agreement.

FISCAL IMPACT:

The revenues are used for the extension of the fiber network and economic development activities, enhance public safety, and to improve our mobile work force and address digital inclusion.

CONTRACT COMPLIANCE:

Vendor: 10/20 Digital LLC DBA Connected Nation Exchange (CNX); C.C.#/F.I.D#: 45-3957006;
Expiration Date: 03/08/2019
(DAX Account No. #: 008280)

To authorize the Director of the Department of Technology to renew and modify a service and revenue agreement with 10/20 Digital, LLC., DBA Connected Nation Exchange (CNX), to market and to develop a rate structure and cost recovery billing model for the city's fiber optic infrastructure and to market the lease of the city's available fiber assets; to authorize the second renewal of a revenue agreement with CNX whereby CNX retains a negotiated percentage of revenues generated as part of their aforementioned provision of services, the balance of which will be received by the city. (\$0.00)

WHEREAS, the city has a continued desire to support fiber optic broadband services to businesses and educational and governmental agencies; and

WHEREAS, Ord. No. 0298-2015, passed on March 9, 2015, authorized the original service and revenue contract with 10/20 Digital, LLC., DBA Connected Nation Exchange (CNX), to develop a rate structure and cost recovery billing model and to market the lease of available city fiber assets on behalf of the city. The initial term of the contract was for two (2) years, with three (3) annual renewal options for a total contract term of up to five years. The first renewal option was executed for the coverage term period of March 10, 2017 through March 9, 2018. This ordinance authorizes the

second renewal option, for the coverage term from March 10, 2018 through March 9, 2019; and

WHEREAS, the city desires to renew the service and revenue contract with 10/20 Digital, LLC., DBA Connected Nation Exchange (CNX), to develop a rate structure and cost recovery billing model and to market the lease of available city fiber assets on behalf of the city; and

WHEREAS, this legislation also authorizes the Director of the Department of Technology to modify the service and revenue agreement with 10/20 Digital, LLC., DBA Connected Nation Exchange (CNX), to include agreed upon updated language that was not included in the original contract agreement by replacing the word " fiber " with " broadband ". All other terms and conditions remain the same as the original contract agreement; and

WHEREAS, the structure of the agreement with CNX allows CNX to retain a negotiated percentage of the revenues that are generated by their marketing and sales efforts of the available fiber assets, with the balance of percent being received by the city; and

WHEREAS, these revenues are used for the extension of the fiber network, economic development activities, enhancement of public safety, improvement of our mobile work force and to address digital inclusion; and

WHEREAS, it has become necessary in the usual daily operation of the Department of Technology to authorize the Director to renew and modify a service and revenue agreement with 10/20 Digital, LLC., DBA Connected Nation Exchange (CNX), to market and develop a rate structure and cost recovery billing model for the City's fiber optic infrastructure, thereby preserving the public health, peace, property, safety, and welfare; now, therefore:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of the Department of Technology is hereby authorized to renew and modify a service and revenue contract with 10/20 Digital LLC DBA Connected Nation Exchange (CNX) to market and develop a rate structure and cost recovery billing model for the City's fiber optic infrastructure, and that the revenues will be used for the extension of the fiber network, economic development activities, enhancement of public safety, improvement of our mobile work force and to address digital inclusion. The initial term of the contract was for two (2) years, with three (3) annual renewal options for a total contract term of up to five years. The first renewal option was executed for the coverage term period of March 10, 2017 through March 9, 2018. This ordinance authorizes the second renewal option, for the coverage term from March 10, 2018 through March 9, 2019. This ordinance also authorizes a modification to the original agreement to include agreed upon updated language that was not included by replacing the word " fiber " with " broadband ". All other terms and conditions remain the same as the original contract agreement.

SECTION 2. That this revenue generating contract has no financial obligation for the City of Columbus and that CNX is authorized to retain a negotiated percentage of revenues generated through the marketing and lease of available city fiber assets, with the City of Columbus receiving the balance.

SECTION 3. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 4. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance

SECTION 5. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.