



**BACKGROUND PAPER FOR PROPOSED  
ORDINANCE**

**COUNCIL MEETING DATE:** February 14, 2022

**TO:** President Heather Graham and Members of City Council

**CC:** Nicholas A. Gradisar, Mayor

**VIA:** Marisa Stoller, City Clerk

**FROM:** Andrew Hayes, Director of Public Works

**SUBJECT:** AN ORDINANCE APPROVING A LICENSE AGREEMENT BETWEEN THE CITY OF PUEBLO, A MUNICIPAL CORPORATION AND ZAYO GROUP, LLC, A DELAWARE LIMITED LIABILITY COMPANY AND GRANTING SAID ENTITY A CITY TELECOMMUNICATIONS LICENSE

**SUMMARY:**

The Ordinance will approve a license agreement with Zayo Group, LLC, a Delaware limited liability company which grants it a nonexclusive license to place telecommunications cable and ancillary facilities within the streets and right of ways of the City of Pueblo in order that the company may operate within the City of Pueblo as a telecommunications provider. The license agreement preserves, to the extent permitted under existing laws, the City of Pueblo authority to manage its streets and rights of way for the benefit of the public without discrimination among telecommunications providers.

**PREVIOUS COUNCIL ACTION:**

The City of Pueblo has previously approved identical or substantially similar license agreements with other qualifying telecommunication providers in the past.

**BACKGROUND:**

Zayo is a provider of fiber telecommunications infrastructure in markets across North America and several in Western Europe. Through partnerships with various network providers Zayo provides lit and dark fiber networks that provide connections to thousands of data centers, cloud providers, commercial and entertainment centers in more than 400 markets. As a qualified telecommunications service provider, Zayo has requested a telecommunications license from the City of Pueblo.

**FINANCIAL IMPLICATIONS:**

Zayo Group and its customers will pay the City applicable sales and use taxes, E911 fees and occupation taxes.

**BOARD/COMMISSION RECOMMENDATION:**

Not applicable to this Ordinance.

**STAKEHOLDER PROCESS:**

Not applicable to this Ordinance.

**ALTERNATIVES:**

Pursuant to federal and state law, the City of Pueblo is prohibited from discriminating among or granting preferences to competing telecommunication providers in the issuance of licenses and from creating or erecting any unreasonable requirements for entry to the City of Pueblo right of way. As such, the City of Pueblo alternatives are limited to proposing amendments to the proposed license agreement that are consistent with the foregoing limitations.

**RECOMMENDATION:**

Approval of the Ordinance.

**Attachments:**

Proposed Ordinance

License Agreement

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE APPROVING A LICENSE AGREEMENT BETWEEN PUEBLO, A MUNICIPAL CORPORATION AND ZAYO GROUP, LLC, A DELAWARE LIMITED LIABILITY COMPANY AND GRANTING SAID ENTITY A CITY TELECOMMUNICATIONS LICENSE

BE IT ORDAINED BY THE CITY COUNCIL OF PUEBLO, that:

**SECTION 1.**

The License Agreement between the City of Pueblo, a municipal corporation and Zayo Group, LLC, a Delaware Limited Liability Company, a copy of which is attached hereto, having been approved as to form by the City Attorney, is hereby approved.

**SECTION 2.**

The Mayor is authorized to execute and deliver the License Agreement in the name of the City, and the City Clerk is directed to affix the seal of the City thereto and attest same.

**SECTION 3.**

The officers and staff of the City are authorized to perform any and all acts consistent with this Ordinance and the attached Agreement to implement the policies and procedures described herein.

**SECTION 4.**

This Ordinance shall become effective on the date of final action by the Mayor and City Council.

**Action by City Council:**

Introduced and initial adoption of Ordinance by City Council on \_\_\_\_\_.

Final adoption of Ordinance by City Council on \_\_\_\_\_.

\_\_\_\_\_  
President of City Council

**Action by the Mayor:**

- Approved on \_\_\_\_\_.
- Disapproved on \_\_\_\_\_ based on the following objections:

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\_\_\_\_\_  
Mayor

**Action by City Council After Disapproval by the Mayor:**

- Council did not act to override the Mayor's veto.
- Ordinance re-adopted on a vote of \_\_\_\_\_, on \_\_\_\_\_
- Council action on \_\_\_\_\_ failed to override the Mayor's veto.

\_\_\_\_\_  
President of City Council

ATTEST

\_\_\_\_\_  
City Clerk