



## Legislation Details (With Text)

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**Title:** Consideration of a Resolution Approving the NCNGN-AT&T Master Network Development Agreement

**PURPOSE:** The purpose of this item is for the Board of Aldermen to receive information on the North Carolina Next Generation (NCNGN) - AT&T Master Network Development Agreement and then to consider a resolution approving the AT&T Master Network Development Agreement.

### Indexes:

### Code sections:

**Attachments:** 1. Attachment A, 2. Attachment B

Date	Ver.	Action By	Action	Result
6/10/2014	1	Board of Aldermen	approved	Pass

### TITLE:

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**DEPARTMENT:** MO-IT

**CONTACT INFORMATION:** Andy Vogel, 919-918-7305, Michael Brough, 919-929-3905

**INFORMATION:** The North Carolina Next Generation Network (NCNGN) represents a regional effort by six municipalities and four major universities to work with current and potential network service providers to enhance economic development and address the digital divide by accelerating the deployment of ultra-high-speed broadband networks and internet access. The Towns of Carrboro, Chapel Hill and the University of North Carolina have worked closely in support of these efforts.

On May 13<sup>th</sup>, the Carrboro Board of Aldermen held a work session to receive information and to hold a discussion on the NCNGN negotiated AT&T Master Network Development Agreement. Board of Aldermen input was received by Town staff. Following this meeting, Town staff joined by the Town Attorney had further discussions with AT&T, as well as the NCNGN Program Director to address the feedback given by Board members during the work session. These further discussions did not produce any further build out commitments for public benefits beyond what had been established in the AT&T Master Network Development Agreement.

AT&T, or any other incumbent or new entrant, in North Carolina may proceed with a demand based build out with or without the support of local governments. NCNGN has been negotiating with AT&T, on behalf of

member municipalities, over the past year to create an agreement that offered municipalities a potential for public benefits in trade for a speedy and predictable build out for AT&T. These potential public benefits are only being offered to NCNGN communities through the AT&T Master Network Development Agreement. These additional potential NCNGN-AT&T negotiated public benefits are not being offered to municipalities in other North Carolina AT&T build out areas.

There are four potential benefits being offered with the AT&T Master Network Development Agreement. NCNGN members have chosen to allocate these potential benefits roughly proportionally to population size. The potential benefits across all municipalities include free 1 gigabit per second service to up to 100 community sites, free 3Mbps internet access for up to 10 eligible low income multi-dwelling unit apartment buildings with 45 - 300 living units, pre-wiring up to 100 commercial buildings that serve small and medium-sized businesses and optionally have the Town share installation costs with AT&T for free wireless internet for the public (that would be monetized through ads by AT&T). Carrboro does not qualify for all of these potential benefits per the terms of the agreement (such as the multi-dwelling unit apartment buildings). NCNGN members are working with the Town of Carrboro to trade benefits that will be usable by the Town of Carrboro per the terms of the AT&T agreement. By trading with other NCNGN members, the Town of Carrboro could potentially receive free 1 Gbps connections to five (5) community sites within Carrboro. Site selection would be made by the Town of Carrboro.

After municipal approval of the AT&T Master Network Development Agreement, NCNGN will continue to work with AT&T to solicit additional public benefits that will add further value beyond the agreement for NCNGN communities. Such possibilities include AT&T working with local organizations that already help address the digital divide in participating communities to provide funds for hardware and educational programs. The Town of Carrboro has been actively engaged in a digital divide discussion with the Chapel Hill-Carrboro City Schools and both organizations recognize that the digital divide will be addressed incrementally through a variety of approaches with no single entity providing the complete solution.

Representatives from NCNGN - Elise Kohn, Senior Advisor & NCNGN Program Director, AT&T - Walter Wells, Project/Program Management - Community Outreach and UNC Chapel Hill - Chris Kielt, Vice Chancellor for Information Technology and Chief Information Officer, will be available at this meeting to answer questions if needed.

The Master Network Development Agreement has been included as Attachment A. The resolution under consideration for approval has been included as Attachment B.

The approval of the AT&T Master Network Development Agreement in no way grants exclusivity to AT&T in the Town of Carrboro.

### **FISCAL & STAFF IMPACT:**

- AT&T is asking that the Town of Carrboro designate staff to facilitate coordination between AT&T, the Town and Town Departments and other NCNGN Participants; and
- Streamline permitting and inspection processes and applications; and
- Provide best efforts to allow AT&T access to Town rights-of-way and utility easements upon request; and
- Develop and implement community education program regarding benefits of high-speed network and services; and
- Continue existing non-discriminatory policies to treat all broadband Internet service providers in a competitively neutral manner; and

- Consider AT&T for future communications services, subject to applicable procurement laws and regulations.

**RECOMMENDATION:** That the Board receive information on the NCNGN-AT&T Master Network Development Agreement and consider adopting the resolution approving the AT&T Master Network Development Agreement.