



ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item
Meeting of April 21, 2007**

DATE: April 21, 2007

SUBJECT: Approval of an Agreement between the County Board and EarthLink, Incorporated (“EarthLink”), for the Installation of Wireless Access Antennas and Associated Equipment to Receive and Transmit Wireless Broadband Signals.

C. M. RECOMMENDATION:

Approve the attached Agreement between the County Board of Arlington County, Virginia and EarthLink for the construction and operation of Wireless Internet access facilities in the County, and authorize the County Manager to execute the Agreement, subject to approval of the Agreement as to form by the County Attorney.

ISSUES: None.

SUMMARY: This is a request for approval of an Agreement between the County Board and EarthLink for the installation and operation of facilities consisting of antennas and associated equipment to receive and transmit wireless broadband Internet access (“WiFi”) on private property and on County property, if necessary and permitted. The initial term of the Agreement is ten (10) years. EarthLink has the option to extend the initial term for two (2) consecutive five (5) year terms. The County will not provide any funds for the WiFi system. EarthLink will provide a number of amenities to the County, calculated to have an estimated value of nearly \$750,000 for the initial term.

BACKGROUND: Pursuant to Request for Proposals No. 441-05 (the “RFP”), the County requested proposals for the provision of WiFi access services within the County. EarthLink has stated that it will endeavor to provide wireless services for 90 per cent to 95 percent of the County’s geographic area, and for other services to be available to the public at no charge to users in County Parks and Community Centers. Following evaluation of the proposals received under the RFP, County staff successfully negotiated an Agreement with EarthLink, and now recommends awarding the contract to Earthlink. Earthlink is an Internet service provider, a Delaware corporation, headquartered in Atlanta, Georgia, providing customer services and a suite of online products and services for over five million subscribers. In addition to providing services to the County pursuant to the RFP, EarthLink proposes to make other services available to the public on a commercial basis. The County owns and maintains various facilities, including street light poles, and has the authority to regulate the time, location, and manner of

County Manager: _____

County Attorney: _____

Staff: Rob Billingsley, Department of Technology Services

attachment, installation, operation, and maintenance of facilities located on County structures, including street light poles located in the Public Rights-of-Way.

In order to provide services to both the County and the public, EarthLink proposes to attach, install, control, operate, maintain, repair, replace, reattach, reinstall, relocate, and remove its facilities on private property. However, if EarthLink facilities are to be placed on poles within the public rights of way or on other County property, then EarthLink first must obtain the required rights and permissions from the County and others to do so. As part of this Agreement, EarthLink will provide the County various forms of compensation, including: a cash payment to the County of \$40,000 per year (subject to certain deductions); free service accounts at certain County Parks and Community Centers; free service to the public at certain county parks; free access to all users to County and Arlington Schools websites wherever WiFi is available; free accounts for specified non-profit organizations; and the ability for Public Safety officials to obtain priority access during an emergency.

In addition, the County will have the option of purchasing services from EarthLink at wholesale rates, and may choose to permit the use and occupation of certain County Property upon the terms and conditions set forth in the Agreement and any subsequent agreements.

DISCUSSION: EarthLink is requesting permission to construct, operate, manage, and maintain a wireless broadband network on privately owned and, if necessary, County facilities located in certain portions of the public rights of way of the County, in order to serve Earthlink's wireless customers and to improve wireless coverage and capacity in the County. These installations must be in compliance with Arlington County ordinances, and permitting requirements.

Some significant benefits of the Agreement are:

- The initial term of the Agreement is ten (10) years. EarthLink has the option to extend the term of the Agreement for two (2) additional terms of five (5) years. The facilities may be permitted to be placed on specified County-owned facilities located within and outside the Public Rights-of-Way, subject to future permissions and agreements.
- The permission is non-exclusive.
- EarthLink is required to comply with the County Ordinances, including all zoning and permitting requirements.
- EarthLink expects to complete the installation of wireless broadband access across the entire County within a 12 month period.
- The compensation to be paid by EarthLink to the County will be \$40,000 per year, reduced by any charges by the County to EarthLink for the use of specified County poles, and by the cost of electricity to operate EarthLink's equipment attached to County poles.

There are the following additional benefits to the County from the Agreement:

- Free wireless access to the Internet in more than 25 County Parks and Community Centers where the WiFi system is available.
- Free wireless access to County Government and School web sites for anyone in the County using the appropriate equipment.

- EarthLink would allocate a number of accounts for certain non-profit providers, at no cost to the County or to such non-profit providers.
- Public Safety officials would have the capability of obtaining priority and over-riding access during emergencies to either broadcast messages or block non-Public Safety communications.

FISCAL IMPACT: The County will receive permit fees; applicable usage and review fees, and other administrative fees; and \$40,000 annually from EarthLink. This annual payment will be reduced by any charges by the County to EarthLink for the use of specified County poles, and by the cost of electricity to operate EarthLink’s equipment attached to County poles. With the value of the free network access in the parks, community centers and to the non-profit providers, the estimated total potential value from this Agreement will be at least \$745,460.00 during the initial 10 year term. While there are additional potential savings in discounted EarthLink accounts for Arlington County field workers, the following analysis conservatively reflects the benefits that can be estimated at this time.

Arlington County -- EarthLink Agreement Terms	Estimated Benefits to the County during the 10 year Agreement
\$40,000 per year fixed fee to be used to enhance Arlington’s use of the network (additional equipment and services) less charges by the County to EarthLink for the use of specified County poles, and by the cost of electricity for EarthLink equipment.	\$400,000.00
<i>Digital Inclusion program</i> for free access accounts for non-profit providers and up to 60 additional accounts for field workers. This is the present estimated value of the free, and not simply discounted, accounts, based on Earthlink’s existing monthly commercial rates.	\$226,900.00
<i>Free Hotspots</i> listed for 33 locations up to T-1 equivalent 1.5 Mb/s for six sites and up to 1 Mb/s for the remaining sites. (without geographic area limitation.)	\$148,560.00
<i>The County provides</i> project manager to monitor coordination and implementation of the system.	-\$30,000.00
<i>Estimated Total Benefits for 10 year Agreement Term</i>	\$745,460.00