

MARIN GENERAL SERVICES AUTHORITY

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MEMORANDUM

DATE: January 12, 2006

TO: MGSA Board of Directors

FROM: Martin J. Nichols, Executive Officer

SUBJECT: AGENDA ITEM D: APPROVAL OF POLE ATTACHMENT AGREEMENT WITH NEXTG NETWORKS

Recommended Action: Authorize the Executive Officer to execute a Pole Attachment and Facility Use Agreement with NextG Networks of California.

Background:

Your General Counsel and I have concluded our negotiations with NextG Networks and recommend the attached agreement. Its basic terms are:

1. Pole Rent

NextG will pay \$500 per year per pole plus a five percent of gross revenues franchise fee.

	<u>Annual SLJPA Revenue</u>
• Poles – 50 to 100 – 100 poles at \$500 =	\$50,000
• Franchise Fees	\$30,000

Each pole will generate \$500 per month of which the JPA gets 5%

2. PG&E Power

They do have a power agreement with PG&E (letter attached).

3. Metricom Devices

They will remove and dispense of Metricom devices on poles they use.

4. Land Use

They understand that they need local permits.

5. Nonexclusive Franchise

They agree to our agreement being nonexclusive.

6. Bankruptcy

They will agree to language to protect our interests.

7. Use of Network

They are willing to give us access to their network.

Mr. Byers has reviewed the applicable PG&E tariff and the letter from PG&E to NextG on this issue. Together with the indemnity language in the contract, Mr. Byers is satisfied that the MGSA is protected.