

RESOLUTION NO. 410 – 2023

A RESOLUTION AUTHORIZING AND DIRECTING THE MAYOR, ON BEHALF OF THE URBAN COUNTY GOVERNMENT, TO EXECUTE A FIBER LEASE AGREEMENT WITH THE UNIVERSITY OF KENTUCKY TO LEASE THE USE OF TWENTY-FOUR STRANDS OF FIBER TO THE UNIVERSITY OF KENTUCKY, RESULTING IN REVENUE IN AN AMOUNT NOT TO EXCEED \$83,588.00 AND A COST NOT TO EXCEED \$15,000.00 PAYABLE TO THE COMMONWEALTH OF KENTUCKY OR ITS DESIGNEE FOR CONSTRUCTION OF AN ACCESS POINT AS REQUIRED UNDER THE FIBER LEASE AGREEMENT, CONTINGENT UPON PASSAGE OF A SIMULTANEOUS RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE THE INDEFEASIBLE RIGHT OF USE WITH THE COMMONWEALTH OF KENTUCKY.

WHEREAS, through an existing agreement with the Commonwealth of Kentucky, the urban county government has the right of first refusal for the use of twenty-seven (27) miles of a 144-count bundle of fiber currently existing under Lexington-Fayette County which was installed by the Commonwealth of Kentucky pursuant to its “KentuckyWired Network” program; and

WHEREAS, upon payment of \$63,588.00 to the Commonwealth of Kentucky, the urban county government can obtain an Indefeasible Right of Use to the fiber for a period of twenty-eight (28) years; and

WHEREAS, the University of Kentucky currently has the need for twenty-four (24) strands of the fiber for its needs at Rupp Arena and is willing to provide all of the funding necessary for the urban county government to obtain an Indefeasible Right of Use in return for a lease of the twenty-four (24) strands, including the \$63,588.00 referenced above and the entirety of the annual maintenance costs for as long as it uses the only active fiber in the bundle; and

WHEREAS, to access the twenty-four (24) strands, the University of Kentucky requires an access point be installed by the Commonwealth, or its contractors, for which the LFUCG is willing to provide funds for installation; and

WHEREAS, the urban county government has determined that it is in the public interest to obtain an Indefeasible Right of Use to the fiber for the future needs of the urban county. The urban county government has also determined that it is in the public interest to lease twenty-four (24) strands of the Licensed Fiber to the University of Kentucky for its uses at Rupp Arena, a driver of economic development in the downtown area; and

WHEREAS, authorization to execute the Indefeasible Right of Use with the Commonwealth of Kentucky is concurrently being requested via another resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 – That the Mayor, on behalf of the Lexington-Fayette Urban County Government, be and hereby is authorized and directed to execute a Fiber Lease Agreement with the University of Kentucky to lease the use of twenty-four strands of fiber to the University of Kentucky, at a cost not to exceed \$15,000.00 to install an access point for the University of Kentucky, contingent upon passage of a simultaneous resolution authorizing the Mayor to execute the Indefeasible Right of Use with the Commonwealth of Kentucky.

Section 2 – That, as payment under the Fiber Lease Agreement, revenue in an amount not to exceed the approximate amount of \$83,588.00 shall be and hereby is accepted from the University of Kentucky into account # 1101-202505-0001-42330, pursuant to the terms of the Fiber Lease Agreement.

Section 3 – That an amount not to exceed \$15,000.00 be and hereby is approved for payment to the Commonwealth of Kentucky, or its designee, from account # 1101-210101-0001-71208, pursuant to the terms of the Fiber Lease Agreement.

Section 4 – That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL: July 13, 2023



MAYOR

ATTEST:



CLERK OF URBAN COUNTY COUNCIL

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