



**City of Rochester Hills  
AGENDA SUMMARY  
NON-FINANCIAL ITEMS**

**1000 Rochester Hills Dr.  
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**Legislative File No:** 2010-0222

**TO:** Mayor and City Council Members  
**FROM:** John D. Staran, City Attorney  
**DATE:** May 11, 2010  
**SUBJECT:** Approval of Telecommunications Right-of-Way Permit for McLeodUSA

**REQUEST:**

City Council is asked to approve a new Telecommunications Permit (Unilateral Form) for McLeodUSA Telecommunications Services, Inc. dba PAETEC Business Services.

**BACKGROUND:**

The original Telecommunications Permit Agreement, dated July 9, 2009, between McLeod USA and the City, has expired. Pursuant to that permit agreement, McLeodUSA (dba PAETEC) installed a network of telecommunication lines in the public rights-of-way as depicted in their route map accompanying this agenda summary. McLeodUSA would like to renew their permit.

After the original permit agreement was entered into, the State enacted the METRO Act which governs the telecommunications right-of-way permitting process, and prescribes uniform fees, conditions and permit forms. Consequently, instead of renewing the old permit agreement, it is necessary to issue a new permit utilizing the standard METRO Act Permit Unilateral form, which has a 5-year term. Fees are prescribed by the METRO Act and are payable by the permittee to the METRO Authority based on linear feet. The METRO Authority annually redistributes all the fees its collects to municipalities statewide in accordance with the Act 51 formula.

No new facilities are proposed to be installed. No additional staff time is expected for administration of this permit, and the City's annual METRO Act revenues will not be directly impacted, so the budget and staff impact associated with this request is negligible.

**RECOMMENDATION:**

City Council is asked to renew McLeodUSA's telecommunications right-of-way permit by approving a new Telecommunications Permit (Unilateral form).

<b>APPROVALS:</b>	<b>SIGNATURE</b>	<b>DATE</b>
<b>Department Review</b>		
<b>Department Director</b>		
<b>Mayor</b>		
<b>City Council Liaison</b>		