

## COUNCIL COMMUNICATION

<b>06/16/2025</b>	<b>SUBJECT: Final Reading Ordinance 2025-O-111</b> Authorizing the City Manager to grant a License, as attached hereto, by and between The City of Laredo, Texas, herein designated as “Licensor” and AT&T Corp., a New York Corporation, hereinafter designated as “Licensee,” dated July 31, 2025, for the use of one (1) innerduct in the Juarez Lincoln Bridge and 555.5 linear feet of right-of-way. 1. Term of the License Extension shall be for five (5) years commencing on August 1, 2025 and terminating on July 31, 2030. 2. Annual duct fee shall be \$40,912.50 and will increase by five percent (5%) every year the License is in place. In addition to the duct fee, Licensee shall pay an \$14.42 linear foot right-of-way fee, and will increase by five percent (5%) every year.
<b>INITIATED BY:</b> Steve E. Landin Assistant City Manager	<b>STAFF SOURCE:</b> Jose C. Rivera, Information Services & Telecommunications
<b>PREVIOUS COUNCIL ACTION:</b> Initial five year License approved 09/15/1997; subsequent approvals 2002, 2007, 2012, 2017 and 2020. Introductory reading approved on 06/02/25.	
<b>BACKGROUND:</b> The City of Laredo and AT&T Corp., entered into a five (5) year Bridge License Agreement beginning September 15, 1997 for the use of one (1) innerduct in the Juarez Lincoln Bridge. The initial annual duct fee was \$5,000.00 plus a \$4.00 per linear foot right-of-way fee, with a five percent (5%) annual increase on the duct fee only. The city approved subsequent five (5) year extensions to years 2002; 2007; 2012, 2017 and 2020. The city and AT&T have agreed to a new five (5) year License, beginning on August 1, 2025 and ending July 21, 2030. The city will receive a duct fee of \$40,912.50 and will increase by 5% each year the License is in place. In addition, AT&T will pay an \$14.42 linear foot right-of-way fee and will increase by 5% each year. AT&T currently occupies 555.5 linear feet. AT&T has agreed to pay the greater of the amount established by this License or that amount that AT&T, or a corporate affiliate, pays to any other entity to cross an international bridge located in the State of Texas.	
<b>FINANCIAL IMPACT:</b> The city will receive a duct fee of \$40,912.50 per duct, and \$8010.33 right-of-way fee, with a 5% increase on each anniversary of the commencement date. License and right-of-way fee will be credited to General Fund - Telecommunications License line item #101-0000-311-1060.	
<b>COMMITTEE RECOMMENDATION:</b> n/a	<b>STAFF RECOMMENDATION:</b> Staff recommends approval.