

ORDINANCE NO 2024-O-064

AUTHORIZING THE CITY MANAGER TO GRANT A LICENSE AGREEMENT BY AND BETWEEN THE CITY OF LAREDO, TEXAS, A MUNICIPAL CORPORATION AND AXTEL, S.A.B. DE C.V., FORMERLY KNOWN AS ALESTRA S. DE R.L. DE CV., A MEXICAN CORPORATION, FOR THE USE OF ONE (1) FIBER/CABLE TRAY AFFIXED BENEATH THE JUAREZ LINCOLN BRIDGE AND 519 LINEAR FEET OF RIGHT-OF-WAY.

1. TERM OF THE LICENSE AGREEMENT SHALL BE FOR FIVE (5) YEARS COMMENCING AT 12:00 AM, APRIL 8, 2024 AND TERMINATING AT 12:00 PM, APRIL 7, 2029.

2. ANNUAL FEE SHALL BE \$37,025.00 AND WILL INCREASE BY FIVE PERCENT (5%) EVERY YEAR THE LICENSE IS IN PLACE. IN ADDITION TO THE FEE, LICENSEE SHALL PAY A THIRTEEN DOLLAR AND 05/100 (\$13.05) LINEAR FOOT RIGHT-OF-WAY FEE, AND WILL INCREASE BY FIVE PERCENT (5%) EVERY YEAR.

WHEREAS, staff recommends that the City council approve the License Agreement by and between the City of Laredo, Texas, a municipal corporation and Axtel, S.A.B. de C.V., formerly known as Alestra S. de R.L. de C.V., a Mexican corporation, dated April 8, 2024 for the use of one (1) fiber/cable tray affixed beneath Juarez Lincoln Bridge and 519 linear feet of right-of-way;

WHEREAS, Alestra on May 1, 2017 changed its corporate name to Axtel S.A.B. de C.V.

WHEREAS, Axtel has agreed to pay the greater of the amount established by this license agreement or that amount that, Axtel S.A.B. de C.V., or a corporate affiliate, pays to any other entity to cross an international bridge located in the State of Texas; and

WHEREAS, staff finds that said license agreement is in the best interest of the City of Laredo; and

WHEREAS, the City Council of the City of Laredo is of the same opinion.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAREDO THAT:

SECTION 1. The City Manager be and is authorized to grant a License Agreement by and between the City of Laredo, Texas, a municipal corporation and Axtel S.A.B. de C.V. formerly known as Alestra S. de R.L. de C.V., a Mexican corporation, dated April 8, 2024 for the use of one (1) fiber/cable tray affixed beneath the Juarez Lincoln Bridge and 519 linear feet of right-of-way, a copy of which is attached hereto as Exhibit "A" and incorporated herein as if set out at length for all intents and purposes.

SECTION 2. This ordinance shall become effective upon passage hereof.

**PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS THE
_____ DAY OF MAY 2024.**

Dr. Victor D. Trevino
Mayor

ATTEST:

By: Jose A. Valdez, Jr.
City Secretary

APPROVED AS TO FORM:
Doanh “Zone” T Nguyen
City Attorney

By: Rodolfo Morales, III
Assistant City Attorney