

**Washington Metropolitan Area Transportation Authority  
Board Action/Information Summary**

Action  
 Information

MEAD Number:  
99945

Resolution:  
 Yes  No

**PURPOSE**

To obtain Board of Directors approval and ratification of an interim letter of agreement with MCImetro Access Transmission Services LLC (MCImetro) and obtain Board of Directors authorization for the General Manager to negotiate and execute a new Fiber Optic License Agreement, including potential indemnification provisions.

**DESCRIPTION**

On January 26, 2008, the legacy agreement between MCImetro and Metro expired. Under the terms of the legacy contract, Metro gained ownership of all the fibers and cables previously installed by MCImetro.

Metro proposes to license these cables and fibers to MCImetro under a new agreement. This agreement will provide for monthly payments, in advance, for a period of five years with a renewal option for another five years. MCImetro will have the right to terminate the agreement after three years, and with six months notice after the third year. The optional term will be subject to a one-time adjustment to the yearly rate by the Consumer Price Index-U or 3% per year, whichever is greater.

In order to bridge the gap between the expiration of the legacy agreement and the new contract, an interim agreement on these terms was entered into between Metro and MCImetro subject to ratification by the Board.

**FUNDING IMPACT**

See attached confidential memo.

## **RECOMMENDATION**

That the Board of Directors approve and ratify the interim letter of agreement and authorize the General Manager to negotiate and execute a new Fiber Optic License Agreement, including potential indemnification provisions, with MCImetro to use Metro-owned fiber optic fibers and cables within the Metro right-of-way.