



# NORTHWEST FLORIDA STATE COLLEGE

## Memo

To: Board of Trustees  
From: Dr. Devin Stephenson, President  
Date: September 19, 2023  
Re: Live Oak Fiber Proposal

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Live Oak Fiber is a local fiber internet company expanding rapidly in the College's service area. To serve customers, including the College, Live Oak Fiber must install fiber cabinets and approached the College to lease 40-foot by 40-foot premises on the Niceville Campus. The College proposes to lease the space as follows:

- Premises: At the College's direction, Live Oak is considering a location on the west side of campus, which is under review with the company for suitability. The draft lease will include a survey of the footprint Live Oak proposes. Live Oak will install a security fence, and as needed, a gravel driveway to the site to ensure vehicles are not on the grass. The College would offer a non-exclusive easement for access to the site.
- Lease term: 10 years with one 10-year renewal option.
- Rent: \$40,000 lump for first 10 years and \$50,000 lump for second 10 years.
- Scholarship: \$30,000 endowed through the Northwest Florida State College Foundation. Live Oak would enter an endowment agreement with the Foundation, subject to the Foundation's approval. The endowment agreement will be attached to the lease.
- Raider Athletics Sponsorship: \$15,000 annually for ten years through a sponsorship agreement attached to the lease.
- Free fiber internet for the College at Niceville and Crestview Locations: Live Oak will provide a minimum of two 5-gig connections to the Niceville Campus, upgrading to 10-gig when the equipment is available. Live Oak will provide one 5-gig connection to the Crestview Center, upgrading to 10-gig once the equipment is available. Live Oak will assist the College with installation. Live Oak sells enterprise business plans for \$2,999 monthly, \$35,988 annually. At Niceville, the cost of two plans annually would be \$71,976 but instead will be free of charge. At Crestview, the cost of one plan annually would be \$35,988 but will also be free of charge, for a combined annual savings of \$107,964.
- The College receives the first opportunity to negotiate for locating a fiber cabinet within 15 miles of our locations. Live Oak would like to negotiate separate cabinet premises leases at the Fort Walton Beach campus and DeFuniak Springs if the parties successfully enter the Niceville lease.
- Discount: 15% discount to full-time NWFSC employees who sign up for Live Oak plans, which will be available once Live Oak is able to offer it through their billing system.

Live Oak Fiber is moving into our community to offer a valuable service and wants to embed itself as part of the College community through endowment and sponsorship. The College believes this opportunity will be a valuable resource on campus as well as bring the College monetary value for the property leased.