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City Council

Approval of Antenna Leases Renewal for T-Mobile

Agenda Date: 8/21/2012
Agenda Item Number: 4.G
File Number: 12-0441

Type: decision **Version:** 1 **Status:** Passed

Agenda Item:

Approval of Antenna Leases Renewal for T-Mobile

Issue:

Whether to renew the antenna leases with T-Mobile.

Committee Recommendation:

Not referred to a committee.

City Manager's Recommendation:

Move to approve and authorize the City Manager to sign the Antenna Leases Renewal with T-Mobile.

Staff Contact:

Thanh Jeffers, Public Works Technical Services, 360.753.8278

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

T-Mobile has leased antenna space on top of the City's water reservoirs since 1998. They are requesting to renew their leases for an additional five years. These leases also have an automatic renewal option of two additional five-year terms, for a total of fifteen years (See Attachment 1 - Lease Agreements).

The lease properties are located at the following locations:

1. Elliott Street Reservoir,
2. Log Cabin Road/Boulevard Road Reservoir,
3. Birch Street/Bush Street Reservoir,
4. Fir Street/Eastside Street Reservoir, and
5. Hoffman Road Reservoir.

The leases are also consistent with the City's Wireless Telecommunication Master Plan adopted by City Council in 2006.

Neighborhood/Community Interests (if known):

None known.

Options:

1. Approve and authorize the City Manager to sign the Antenna Leases Renewal with T-Mobile. The annual income will benefit the Water Utility and the rate is consistent with other public agencies in our area.
2. Do not approve the Antenna Leases Renewal with T-Mobile. This would be inconsistent with the Wireless Telecommunication Master Plan and it reduces revenue to the Water Utility.

Financial Impact:

The revenue to the Water Utility from the leases is \$70,436.00 for all five sites for the first year. Annual rent will increase four (4) percent per year for the remaining four (4) years of the leases, with revenue totaling \$381,504.10.

With the automatic renewal option for an additional ten years, the potential earnings will be \$1,410,381.42 for the total fifteen-year term.