



City Council

Approval of Antenna Lease Agreement with CTI Towers Inc

Agenda Date: 9/17/2013
Agenda Item Number: 4.C
File Number: 13-0704

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

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Issue:

The original antenna lease with CTI Towers, Inc. is expired by its terms. CTI Towers, Inc. and the City desire, in mutual best interest, to renew the lease and for CTI Towers, Inc., to remain at the Birch Street water reservoir.

Committee Recommendation:

Not referred to a committee.

City Manager's Recommendation:

Move to approve and authorize the City Manager to sign the Antenna Lease Agreement with CTI Towers, Inc.

Staff Contact

Thanh Jeffers, Public Works General Services, 360.753.8278

Presenter(s):

None - Consent Calendar Item

Background and Analysis:

CTI Towers, Inc. has leased ground space at the City's Birch Street water reservoir since 2002. They are requesting a new updated lease for an additional five years. This lease also has an automatic renewal option of two additional five-year terms, for a total of fifteen years (see attached Lease Agreement).

The lease is consistent with the City's Wireless Telecommunication Master Plan adopted by City Council in 2006, which is to meet the current and future demands for wireless telecommunication services within the City as it impacts the City and its citizens.

Neighborhood/Community Interests (if known):

None known.

Options:

1. Approve and authorize the City Manager to sign the Antenna Lease Agreement with CTI Towers, Inc. 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 Lease Agreement with CTI Towers, Inc. 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 CTI Towers, Inc. lease is \$14,148.41 for the first year. Annual rent will increase four percent (4%) per year for the remaining four (4) years of the lease, with revenue totaling \$76,632.35. With the automatic renewal option for an additional ten years, the potential earnings will be \$258,801 for the total fifteen-year term.