



City Council

Approval of Antenna Lease Agreement with New Cingular Wireless PCS, LLC

Agenda Date: 4/11/2017
Agenda Item Number: 4.E
File Number: 17-0364

Type: contract **Version:** 1 **Status:** Passed

Title

Approval of Antenna Lease Agreement with New Cingular Wireless PCS, LLC

Recommended Action

Committee Recommendation:

Not referred to a committee

City Manager Recommendation:

Move to approve the Antenna Lease Agreement with New Cingular Wireless PCS, LLC and authorize the City Manager to sign.

Report

Issue:

Whether to approve the Antenna Lease Amendment and authorize the City Manager to sign the agreement.

Staff Contact

Meliss Maxfield, Drinking Water Quality Program and Planning Supervisor, Public Works
Department/Water Resources, 360.753.8202.

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

New Cingular Wireless PCS, LLC has been leasing space from the City of Olympia since 2002. They are requesting to enter into an additional five-year lease term with the City of Olympia.

The property is located at the Hoffman Court Water Storage Tank, 3920 Hoffman Court SE, Olympia, WA 98501.

The City of Olympia recommends entering into the lease agreement with New Cingular Wireless PCS, LLC as Lessor. New Cingular Wireless PCS, LLC will compensate the City of Olympia for the ground, antenna, and utilities easement portion of the lease. The Water Utility will receive a total of \$184,697 over the next five years, which is an increase from the current lease agreement. The

annual lease rates are consistent with other agencies in our area and other western Washington public agencies.

Wireless telecommunication lease agreements located on City-owned property are consistent with the City's Wireless Telecommunication Master Plan. It promotes co-location possibilities at existing sites and minimizes new tower construction.

Neighborhood/Community Interests (if known):

None.

Options:

1. Approve the Antenna Lease Agreement with New Cingular Wireless PCS, LLC. The annual lease provides revenue to the Water Utility's annual operating budget.

2. Do not approve the Antenna Lease Agreement with New Cingular Wireless PCS, LLC. The Water Utility would lose over \$36,000 in annual revenue. Not approving the lease will also be inconsistent with the City of Olympia's Wireless Telecommunication Master Plan. The lessee would have to remove their antennas, ground equipment, and vacate the premise.

Financial Impact:

The revenue to the Water Utility from the lease agreement is \$36,600 for the first year. Annual revenue will increase four percent per year for the remaining five years of the lease, with revenue totaling \$198,237.

Attachment:

Antenna Lease Agreement